

PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION

**AUDITED BASIC FINANCIAL STATEMENTS
AND OMB CIRCULAR A-133 REPORTS**

FOR THE YEAR ENDED JUNE 30, 2008

**IZABAL, BERNACIAK & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS**

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IZABAL, BERNACIAK & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

One Market, Spear Street Tower, Suite 344
San Francisco, California 94105

TEL: (415) 896-5551
FAX: (415) 896-0584

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
**Plumas County Community
Development Commission**
Quincy, California

We have audited the financial statements of the business-type activities which comprise the basic financial statements of Plumas County Community Development Commission as of and for the year then ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the Plumas County Community Development Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Plumas County Community Development Commission as of June 30, 2008 and the results of its operations and changes in financial position and cash flows for the year ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison schedule on pages 3 through 18 and 33, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information listed in the table of contents is presented for the purposes of additional analysis and is not a required part of the basic financial statements of Plumas County Community Development Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subject to auditing procedures applied in an audit of the financial statements, and accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2008 on our consideration of Plumas County Community Development Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Jabab. Bernant & Co.

San Francisco, California
December 16, 2008

PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION

Management's Discussion and Analysis

This section of the Plumas County Community Development Commission (PCCDC) annual financial report represents our discussion and analysis of PCCDC's financial performance during the fiscal year that ended on June 30, 2008.

Overview of the Financial Statements

This annual report consists of three parts – *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, and *Supplementary Information* that presents *combining statements* for the various funds, as well as schedules required by the California Department of Community Services and Development (CSD), the United States Department of Housing & Urban Development (HUD) and United States Department of Agriculture - Rural Development (USDA).

- The basic financial statements are *combining statements* of all fund types that provide both long-term and short-term information about PCCDC's overall financial status. The basic financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data for the reader.
- The supplementary statements are combining *fund financial statements* that focus on individual parts of PCCDC, reporting upon PCCDC's operations in more detail than the basic statements.

The statements are followed by *required supplementary information* that further supports the information in the financial statements. Notably, this would be the budget vs. actual comparison information for PCCDC's HUD low-rent housing program, the only PCCDC program with a budget adopted by a Resolution of the PCCDC Board of Commissioners. In addition to this required element, included are "Schedules of Closed Grants" required by the California Department of Community Services and Development, an Actual Modernization Cost Certificate (AMCC) for any HUD Capital Fund Program (CFP) grants and Forms 3560-7 and 3560-10 required by USDA for the Pine Meadows Apartments. Because of delays at HUD in revising their electronic submission software, the Financial Data Schedules (FDS) that reflect the financial data as submitted to the HUD Financial Assessment Sub-System (FASS) component of the Public Housing Assessment System (PHAS) in their required format, as well as the Auditors opinion on those schedules, will be provided separately this year.

Government-wide Statements

The government-wide basic statements report information about PCCDC as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes *all* of PCCDC's net assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid (i.e. these are *full-accrual* statements).

The government-wide statements report PCCDC's *net assets* and how they have changed. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of PCCDC is improving or deteriorating.

The government-wide financial statements of PCCDC are divided into two categories:

- *Enterprise Funds* – These statements show the activities of all of PCCDC's programs. For the most part, these programs are funded by special revenue sources that designate specifically how the funds awarded are to be expended. When a program allows PCCDC to make a "profit", that profit almost always must remain with the program. The only exceptions would be miscellaneous PCCDC General Fund income (such as laundry facility proceeds), owner asset management fees associated with some PCCDC housing projects, and any profits derived from PCCDC's fee-for-service technical assistance and contract administration work not conducted under a grant.
- *Fiduciary Fund activities* – These statements show only balance sheet amounts for activities for which PCCDC acts solely as an agent for another entity's resources. These are collections of loans made under a prior CDBG grant to the City of Loyalton, California.

Although some special revenue fund activities are strictly a reimbursement of actual costs, others are allowed to retain net assets for repairs and replacements, or to be applied to similar grants in future years. In some cases, PCCDC competes for funds with other organizations, usually because of overall program funding limitations, but in some cases because the contracting entity may have a choice between selecting PCCDC and another organization to manage their program. Given these conditions, the Agency tends to function more like a private-sector business, rather than a government unit. In addition, it is HUD's preference that housing authorities account for all of their financial activities using the *Enterprise Fund* method.

Condensed Financial Information – Current & Prior

The included schedules show comparative data from the current fiscal year ended June 30, 2008 and the year ended June 30, 2007. Schedule 1 shows comparative Balance Sheet summaries for the Enterprise Funds and the Fiduciary Fund. Schedule 2 shows comparative summaries of the Statement of Revenues and Expenditures, including the change in Net Assets.

Comparative Balance Sheet – Schedule 1

PCCDC's assets decreased by \$25,000 from the prior fiscal year. Within that amount, cash increased by \$180,000, while grants and accounts receivable increased by \$37,000. Total loans receivable decreased by \$108,000. Plumas County CDBG loans decreased by \$102,000, which was mainly the result of one significant economic development loan payoff, while there was a \$6,000 decrease in the Agency (Fiduciary) Fund loans. Deposits and other prepaid expenses decreased by \$8,000, while the weatherization inventory increased by \$12,000. Fixed assets, net of accumulated

depreciation, decreased by \$132,000 from Fiscal 2007. The deferred debt expense associated with the refinancing of the Valley Heights Apartments is being amortized over the 30-year life of the new loan, and decreased by \$7,000.

Total Liabilities decreased by \$87,000 from the prior fiscal year. Vendor accounts payable decreased \$9,000. Other payable items such as employee leave, payments-in-lieu-of-taxes and security deposits payable increased \$14,000. Amounts due other entities in the Fiduciary Fund decreased \$6,000.

Debt decreased by \$26,000. The two Agency-owned properties with mortgages have long-term financing secured at favorable rates.

Deferred Revenues, which represent funds received on grants but not yet spent, were down \$60,000 from Fiscal 2007.

In the Equity (Net Asset) categories, capital improvement reserves declined by \$68,000. This is the result of on-going capital improvements and major repairs at the Valley Heights and Pine Meadows properties. Net Restricted Assets for Section 8 HAP payments increased by \$360,322. These are unspent funds that can either be used in future periods by PCCDC or may be recaptured by HUD after a formulaic calculation. \$170,000 of this amount was transferred to PCCDC from Lassen County, while \$190,000 originated in PCCDC's own Section 8 program. Overall, PCCDC's Net Assets at June 30, 2008 were \$6,691,000, compared to \$6,630,000 as of June 30, 2007, an increase of \$61,000.

Comparative Statement of Revenues & Expenditures – Schedule 2

Revenues increased from \$3,958,000 in Fiscal 2007 to \$4,182,000 in Fiscal 2008, a 5.7% increase. This is the result of several factors.

Grant revenues from HUD programs were up \$339,000 from the prior year. The Section 8 Housing Choice Voucher program had an increase of \$330,000 in revenue. This is due to a more generous funding formula and the consolidation of the Lassen County program. The Public Housing Operating Subsidy was virtually unchanged. The five-year funding formula reduction is being offset by increased allowances for inflation and utilities. HUD Capital Fund revenues were down \$11,000 from FY2007. PCCDC is permitted by HUD to utilize these funds to support Public Housing operations. The Valley Heights Multi-Family subsidy increased by \$20,000, while tenant-paid rents declined \$6,000. The tenant portion of rents in all housing rental programs was reduced, the result of the decline in the economy.

Revenues from other government-funded programs were up \$38,000 from fiscal 2007. The LIHEAP and DOE energy assistance programs decreased by \$66,000, the result of across-the-board reductions in the programs. The Community Services Block Grant (CSBG) program had a \$71,000 revenue increase. The base CSBG grant had increased funding and there was \$29,000 in additional revenue from a CSBG discretionary grant to analyze homelessness in three counties. The Community Development Block Grant (CDBG) program had a \$29,000 increase, as work continues

on a substantial infrastructure and community facilities grant. Other government grant revenue increased \$4,000. A \$9,000 increase in USDA and State subsidies for the Pine Meadows Apartments was offset by small declines in other grants.

As mentioned earlier, tenant rental revenues were down at every housing property and overall were down \$37,000 from last year.

All other activities had revenues of \$269,000 in fiscal 2008, compared with \$383,000 in fiscal 2007. This decrease of \$114,000 is concentrated in four areas: reduced reimbursable operating expenses at the Wildwood project (\$75,000); reduced Revolving Loan Fund administration (\$14,000); and the 2007 numbers included a large insurance reimbursement from a unit fire at Green Meadows (net reduction of \$30,000). Offsetting these were minor net increases of \$5,000 in fee-for-service and CDBG administrative activities.

Interest income was slightly reduced again, from \$47,000 in fiscal 2007 to \$45,000 in fiscal 2008, reflecting the low interest rates being received on Agency investments.

Expenses increased from \$4,159,000 in fiscal 2007 to \$4,291,000 for fiscal 2008, a 3.2% increase. Many Agency employees were involved in a State "work-sharing" program during the fiscal year. As a result, the combination of employee salaries and benefits decreased \$44,000 from the prior year.

Utilities continued their upward march and were \$9,000 higher than fiscal 2007. Expenses for maintenance and weatherization materials were reduced \$23,000 from the prior year. Energy assistance payments were also down \$23,000, as the LIHEAP program was not as well-funded during the 2008 fiscal year.

Contract costs increased from \$494,000 in fiscal 2007 to \$574,000 in fiscal 2008. Increased funding for CSBG contractors constituted \$70,000 of the \$80,000 increase, while CDBG contractor payments were up \$7,000. The remainder is scattered throughout other programs.

Section 8 Housing Assistance Payments increased by \$129,000 from the prior year. Approximately \$90,000 of this amount is from the consolidation of Lassen County's program, which occurred in April 2008. The remaining \$39,000 is the result of increasing lease-ups in the Plumas program.

Bad debt expense increased from \$1,000 last year to \$9,000 in the current year. A deceased CDBG rehabilitation loan recipient had a reverse mortgage that exceeded the value of the property. The property was foreclosed upon by the lender and the Agency chose not to intervene in that process.

Variances in other expense items between the two years were minimal.

The first pie chart shows PCCDC's revenue sources for the Fiscal 2008. HUD-funded housing programs (Section 8, Low-Rent Housing and Valley Heights) made up 67.7% of the Agency's revenue. This increased nearly 4% from the prior year, primarily

because of the Lassen County Section 8 consolidation. Energy assistance programs were 12.8% of revenue, compared with 15% in 2007. Contract administration for the County of Plumas, Almanor Residential Inc. and various special districts comprised 5.4% of PCCDC's fiscal 2008 revenue and was down 2.5%. However, Community Services Block Grants were up by 1.6% to make up 5.8% of the revenue pie. Community Development Block Grants (also a HUD program) were 4.5% of PCCDC's income. All other programs comprised 4% of the Agency's revenue. HUD-funded programs continued the trend of being a larger percentage of the Agency's total revenue.

On the expense side, the pie chart illustrates that 33.9% of PCCDC's expenses are housing assistance payments to landlords on behalf of Section 8 clients. This increased 2.1% over 2007. An additional 17.4% of the Agency's expenses are to contractors, primarily for energy assistance payments and CDBG programs, but also maintenance projects that cannot be performed by staff. Salaries and benefits declined by 1.8% to comprise 25.1% of PCCDC's expenses. Maintenance materials used primarily for upkeep of housing projects and weatherization activities are 1.9% of total expenses, while depreciation is 7.6%. All other expenses equal 14.1% of the total, of which utility expenses are 4.5% and all other costs are 9.6%. These include administrative expenses, management fees, interest, insurance and PILOT expenses.

Excess or Deficiency of Revenues over Expenses

For Fiscal 2007, PCCDC expenses exceeded revenues by \$201,000. This was reduced in Fiscal 2008 to \$109,000. After adjusting for depreciation of \$325,000, PCCDC revenues were greater than expenses by \$216,000 for Fiscal 2007. We sometimes refer to this amount as "operating income".

\$185,000 of this amount is unspent Section 8 HAP funds that can be spent at least through December 31, 2008 and probably into 2009, depending on HUD's recapture formula. Public housing generated operating income of \$60,000 for the year, while the other properties, Pine Meadows and Valley Heights, earned \$16,000 and \$5,000 respectively. The program with expenses that exceed earnings are the CDBG revolving loan funds, as interest income does not equal administration expenses and the activity delivery costs associated with making new loans. For 2008, expenses exceeded income by \$55,000. In the GAAP accounting world, principal repayments of loans are not treated as income, but rather a reduction of loans receivable.

Analysis of PCCDC's Overall Financial Position

Management is very pleased with PCCDC's financial performance for Fiscal 2008. In recent years, the Agency had endured a series of Federal funding cuts (that are being gradually restored) and has been able to operate without staff reductions. In April of 2007, management elected to not have a reduction in force and instead take advantage of a unique program offered by the State of California called "Work Sharing". Most full time employees had their hours and pay reduced by 10% (i.e. a 36-hour workweek). The State paid them unemployment benefits for the weekly four hours missed, minimizing the financial impact upon the employees. At its peak, the work-sharing

program affected all 11 full-time employees. As funding increased during the course of 2008, participation was gradually reduced to six employees.

The consolidation of the 113-unit Lassen County Section 8 program into the 335-unit Plumas program began in April 2008 and was implemented with few problems. This was a good business decision that increased the economies of scale of the Plumas program, and relieved Lassen County of a money-losing operation that was being supported by the County's General Fund.

The Agency's technical assistance business has been hurt this year by projects that cannot get off the ground, or more aptly, "out of the ground". Depending upon the project, delays in construction, property owner indifferences, and/or the ability to find good water sources, have all contributed to incomplete projects, and higher interim expenses for administration, engineering and architects.

The outsourcing of the management and operation of PCCDC's HUD Low-Rent Housing continues to be financially successful. In general, the private management firm is better at property management than PCCDC, but less adept at dealing with the HUD rules and regulations that are unique to the Low-Rent Public Housing program. They need additional training in this area. The management company attempts to employ managers who live on the sites, enabling closer attention to tenant and maintenance needs, but also closer scrutiny of tenant activities and possible lease violations.

The Community Services Block Grant funds that support the Lassen-Plumas-Sierra Community Action Agency saw a substantial increase during this year. This enabled the Agency to distribute more funds to sub-grantees in the three counties, while retaining a portion of the increase to support administration. The Valley Heights property acquired in 2003 continues to be a good investment, providing affordable rental housing to the community while spinning off about \$30,000 in cash to the Agency in the form of formula-driven Owner fees. The Pine Meadows property made good progress at reducing its cash deficit to approximately \$12,000, compared with \$18,000 at June 30, 2007.

Management is always on the lookout for good business prospects that can increase Agency revenue without commensurately increasing costs. In addition, management is prepared to deal with any future funding reductions. This could include a return to the work-sharing program for more staff or, in the event of a drastic program funding cut, actual staff reductions.

Balances & Transactions of Individual Funds

Although PCCDC has \$1,986,000 in Unrestricted Net Assets, as defined by GASB, most of these funds may only be used within the program in which they were generated. Only about \$47,000 of the net assets in several funds are truly unrestricted for any purpose. The Section 8 net assets of \$379,000 are either restricted for future HAP payments or other Section 8 activities. The net assets in HUD Low-Rent Housing of \$481,000 (exclusive of capital assets) are designated for major repairs and capital improvements. Similarly, the \$475,000 of net assets at Valley Heights is primarily for

capital improvements. \$9,000 of the Pine Meadows Apartments net assets is the Repair Reserve, which may only be spent on USDA-approved projects with their countersignature on any checks drawn. Net assets in CDBG programs, primarily deferred loans, of \$1,220,000 must be utilized for other CDBG activities when they are paid off. In short, PCCDC's net assets generally remain committed to the programs in which they were created.

Budget Variations – Low-Rent Housing

The only program currently operated by PCCDC with a budget *adopted by a Resolution of the PCCDC Board of Commissioners* is the HUD Low Rent Housing program. These are the 96 units of so-called Low Rent or *public housing* operated by PCCDC in the communities of Greenville and Chester.

PCCDC experienced revenue of \$8,000 greater than budgeted. Tenant rents were \$14,000 lower than budget and the HUD Operating Subsidy was \$1,000 less than anticipated. Partially offsetting these losses was interest income, which was \$2,000 greater than planned and other income of \$21,000 more than anticipated. \$11,000 of this latter amount was an insurance reimbursement. HUD often expresses revenues and costs on a PUM (*per unit month*) basis. The budgeted revenue was \$551.06 PUM while the actual revenue was \$558.06 PUM. Thus, revenue was 1.3% greater than budgeted.

Administrative expenses overall exceeded the budget by \$17,000. Salaries were \$22,000 over budget, while employee benefits were \$4,000 over budget. These were offset by low legal expenses (\$6,000 under budget) and training/travel, accounting/auditing and management fees, each of which were about \$1,000 under budget.

Utility costs overall were about \$3,000 over budget. Water expenses were \$4,000 under budget, but were offset by unfavorable deviations in other utilities – Electricity (\$2,000), Propane (\$3,000) and Sewer (\$2,000). The electricity and propane increases are the result of having the County's Greenville Senior Nutrition site operating at Green Meadows.

Maintenance costs were \$4,000 over budget. Contract costs, which are generally payments to professionals such as plumbers, exterminators, carpet installers, etc., were \$4,000 higher than budgeted. Labor and material expenses were as projected.

General expenses were \$3,000 over budget. An unfavorable variance in employee benefits of \$10,000 was offset by reduced PILOT payments (\$2,000 under budget) and a significant decrease in the bad debt provision of \$4,000. This is an indicator that the management company has been effective at collecting tenant rents, especially amounts due from vacating tenants.

Overall, operating expenses exceeded the budget by \$27,000. The budgeted operating expense PUM was \$474.89. The actual was \$498.08 PUM, which was 4.9% over budget.

The Project had actual operating income of \$69,000, compared with a budget of \$88,000. Further reducing that amount was the casualty loss associated with the methamphetamine lab clean-up of \$9,000. (The insurance reimbursement was recorded as revenue).

The Agency had budgeted to have \$88,000 in "Residual Receipts" (increase in net assets before depreciation) for the year. The actual increase was \$60,000. The expenses of the management company have increased somewhat over time. Also, the Agency has a senior (i.e. high-priced) employee who works for the management firm at one of the properties and the properties still absorb a portion of the Agency's directly allocable costs. Thus, we are not seeing the financial savings of one year ago, but an extensive study shows that it costs approximately \$50,000 per year less to have management and maintenance outsourced.

The other factor that continues to affect Public Housing revenue is HUD's pro-ration of the formulaic subsidy calculation. This is because Congress has not given HUD full funding for the program. The pro-ration revenue shortage was approximately \$32,000 in this fiscal year, which is a combination of two *funding* years.

Capital Assets

PCCDC investment in capital assets during Fiscal 2008 totaled \$223,000. The General Fund spent \$3,000 to finish up office health, safety and energy improvements. Low Rent Housing had office improvements of \$3,000 and added a Green Meadows lawn tractor for \$3,000. New site computers were procured (\$3,000) and a fence was extended and rehabilitated (\$4,000). The expansion of the Green Meadows community room was completed with \$125,000 in fiscal 2008 expenditures. The completed addition including fixtures and required ADA concrete work cost \$217,000. Valley Heights managers continued to make regular improvements and replacements according to the capital improvement plan created as part of the 2003 acquisition. This year \$14,000 was spent to improve breezeways and steps, \$8,000 on appliances, \$23,000 on heat pump replacements, and \$2,000 for an industrial carpet cleaner. A significant replacement of rotting siding at the Pine Meadows Apartments cost \$35,000.

The Agency expects to continue to receive HUD Capital Fund Program (CFP) funding to make improvements at the Low Rent housing projects, which are now 25 years old. These funds are also utilized to support day-to-day operations, as permitted by HUD.

Capital asset acquisitions were funded by the General Fund, USDA Reserves, the HUD Capital Fund Program, and the Valley Heights Rehabilitation Repair Reserves.

The Agency had a Capital Needs Assessment and an 504 compliance review done in May of 2008 to obtain an outside opinion on future replacements, repairs, and needed ADA modifications. These studies are now complete and will be reviewed to develop an action plan for the future.

Currently Known Facts, Decisions or Conditions Affecting Financial Position

PCCDC began fiscal 2009 with funding for existing programs that is expected to be about the same as that received in Fiscal 2008. However, the Continuing Resolution passed by Congress to keep the government operating January 1, 2009, included a near-doubling of energy assistance funds. The incoming administration has expressed a desire to perform more home weatherization and you can be assured that the pressure will be on to fully fund HUD housing programs, which have suffered at the hands of the current administration. Public Housing and Section 8 pro-rata have been costing PCCDC over \$50,000 per year and would make a substantial difference to the Agency if restored to 100%.

The consolidation of the Lassen County Section 8 program into the Plumas County program is bringing additional administrative funds into the Agency, while resulting in minimal cost increases. PCCDC has now been approached by Tehama County to operate their HUD Section 8 Housing Choice Voucher program. Tehama County is contiguous to northwestern Plumas County. Similar to Lassen, Tehama has had a difficult time achieving any economies of scale with their 140-unit program. Also similar to Lassen's situation, the program was foisted onto the Social Services Department by another County agency. Preliminary discussions have been had with Tehama County and HUD. Tehama presently has a funding shortfall issue that must be resolved between them and HUD before Plumas can become involved. Operation of this program by PCCDC could add about \$70,000 of administrative revenue, although it may require some additional staff support. HUD would like any consolidation to occur by April of 2009.

The Agency receives minimal funding directly from the State of California, which is facing a severe budget problem. A small (\$10,000 per year) State emergency shelter program has already been a casualty of the cutbacks. In theory, State departments that operate only to pass-through Federal funding to local entities should not be affected by cuts. This would include the departments that operate the LIHEAP and DOE energy programs, the CSBG program, and the CDBG program.

PCCDC, like many other housing authorities, is always searching for new activities to contribute to the Agency's financial health.

PCCDC was awarded \$167,204 for Federal Fiscal Year 2007 from the HUD Capital Fund program. These funds are available for Low-Rent Housing improvements, capital projects and operations during PCCDC's Fiscal 2008 and beyond. This funding has increased slightly for fiscal 2008 to \$180,232.

In 1995, PCCDC negotiated a settlement with Plumas County to pay \$85,000 in back PILOT payments. As repaid, these funds were placed into a so-called "Community Development Fund" at the County. With approval by the County Board of Supervisors, PCCDC has been able to draw upon these funds for projects (typically infrastructure) that have no other source of funding. The fund now stands at approximately \$16,132 and will be depleted in one or two years at the current rate of withdrawal. PCCDC management is negotiating with the County for a means of replenishing this fund to

enable it to continue. Given the current state of County finances, these negotiations are in a "wait and see" status.

In October 2007, a small methamphetamine lab was discovered in the senior portion of the Chester HUD property. Despite the small scale of activities that had taken place, PCCDC had to comply with the requirements of recent California legislation regarding site mitigation. Although the expenses to clean up the apartment were under \$10,000, the overly-bureaucratic process required under the law took over seven months to complete. Insurance covered the clean-up costs and lost rents, less a \$1,000 deductible. The County also placed a lien on the property for their estimated expenses. The lien has since been released.

In December 2007, the Agency returned a tort claim that its insurer and legal counsel felt was not filed in a timely manner. The claimant was granted relief from the tort claim time requirements and subsequently filed a lawsuit claiming Agency responsibility for the alleged acts of a tenant. The suit was vigorously defended by the Agency's insurance pool and the plaintiffs ultimately dismissed their action. The Agency incurred a minimum co-payment of \$2,500 to the pool.

One of the few employee-related expenses that can be controlled to some degree is workers compensation insurance. Due to an outstanding safety record over the past several years, the Agency's expense for this item will decline by over \$10,000 (30%) in Calendar 2009.

PCCDC is sometimes called upon to assist entities with projects when there is no guarantee that the project will be funded and/or move forward. The possibility exists that PCCDC may not be reimbursed for administrative time spent in the development stage of these projects. An assessment is made by management when a project is considered stalled, dormant or no longer feasible. In Fiscal 2003, a bad debt reserve was created to absorb any write-offs that cannot be covered through other funding sources. The reserve is monitored and adjusted annually to reflect possible uncollectible debts. Another option is to utilize the aforementioned Community Development Fund to reimburse PCCDC for its costs. In addition, the Agency currently has several grants where construction delays and other issues have will cause administrative and activity delivery funding to run out in fiscal 2009 before the projects are completed.

Retiree Health Benefits

Fiscal 2009 will be the first year that governments have to disclose the liability for retiree health benefits, known as *post employment benefits other than pensions*, or OPEB. PCCDC is a member of the California Public Employee Retirement System (CalPERS) health plans and subscribed to their lower-cost formula for retiree contributions. Retirement at PCCDC is defined as a minimum of 10 years of service and attainment of age 59-1/2. There are currently three active employees who meet these criteria and three active employees who could become eligible within the next one to three years. The Governmental Accounting Standards Board (GASB) has recently

issued their Statement 45 which will require a disclosure of PCCDC's OPEB liability beginning in Fiscal 2009. GASB 45 does not require that the OPEB be funded. The Agency must decide on a course of action to merely disclose the OPEB, or embark upon a means of funding it in whole or in part.

Wildwood and Wildwood Village

PCCDC has had a long association with a senior housing project in Chester, California, known as Wildwood. Wildwood is owned by Almanor Residential Inc (ARI), a 501(c)3 non-profit corporation. PCCDC assisted with the development and construction of the original Wildwood, a 17-unit congregate senior housing project which opened in 1991. This USDA-subsidized and financed project offers senior living with meal and housekeeping services. The building was constructed with a large senior center, which was not financed by USDA. The ARI senior center activities were intended to make a profit to support the joint costs of operating the facility. The rising costs of doing business combined with inadequate charges for the resident services resulted in an inability of ARI to make its contribution to the USDA project budget. Because of the political ramifications of closing the doors on 17 frail and elderly residents, PCCDC has always absorbed the losses at the project and paid itself last during difficult cash flow periods. Through June of 2005, this deficiency amounted to \$175,000, with \$53,000 stemming from start-up losses from 1991 and 1992. Thus, the deficiency rose by about \$10,000 per year over twelve years, an acceptable level to management.

A long-proposed 37-unit expansion of Wildwood known as "Wildwood Village" was completed in September 2006. This market-rate expansion was intended to provide 22 independent units and 15 assisted-living units. PCCDC acquired the State license required to operate the assisted living portion of the facility. This seemed like an excellent opportunity for PCCDC to receive additional management fees of approximately \$50,000 per year and, if the expansion were profitable, for ARI to generate sufficient cash flow to begin reducing the amounts due PCCDC.

The demand for the market-rate units was (and continues) minimal and there were never any serious prospects for assisted living. A similar, albeit for-profit, facility opened in Lassen County on the same day and has also struggled with occupancy issues. There are presently seven residents at reduced rental rates and occasional short-term guests. Almanor Residential Inc. is in default on their USDA loans.

The initial operating scheme for Wildwood Village involved an upgraded food service, utilizing a local culinary academy to provide all meals and operate the County's Chester Senior Nutrition program, which has always been located at the senior center. This costly decision by the ARI Board, combined with start-up expenses and the aforementioned lack of residents, caused additional cash flow issues and further increased the debt to PCCDC. This amount was \$244,000 at June 30, 2006 and \$360,000 at June 30, 2007.

Early in 2007, after a final, unsuccessful marketing attempt by the owners, it became obvious that the project could not continue without changes. The ARI Board decided that their best course of action would be to sell the entire Wildwood facility to PCCDC.

Meetings were held with USDA representatives to formulate a plan to move in that direction, in which the Project would likely have some of its architectural deficiencies corrected and become 100% subsidized. The wheels of government often turn slowly, and this plan is still moving through various levels of USDA.

Because PCCDC is essentially a "placeholder" until a final disposition of Wildwood occurs, it was decided to reduce food losses. Simultaneously, the culinary academy decided not to continue their food service contract (and has since gone out of existence). On July 1st, 2007, the food service transitioned back to a smaller PCCDC staff preparing breakfast and dinner, while County Senior Nutrition returned to provide lunch.

The happy result of these changes was that the food service is now operating at a modest "profit" and the debt to PCCDC has only increased by \$8,000 (to \$368,000 at June 30, 2008). PCCDC also made changes in the housekeeping service to bring it to a break-even status. PCCDC is operating Wildwood as if it were the owner and preparing for the planned transition to actual ownership. It is currently anticipated that this could occur by mid-2009, contingent upon the purchase plan concept being approved by USDA's counsel.

Contacting PCCDC's Financial Management

This financial report is designed to provide our clients, taxpayers, customers and creditors with a general overview of PCCDC's finances and to demonstrate PCCDC's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact PCCDC, Finance Director, PO Box 319, Quincy, CA 95971.

PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION

Comparative Statement of Net Assets - (000) omitted

Schedule 1

	<u>Enterprise Funds</u>		<u>Fiduciary</u>		<u>Total</u>		<u>Total Percentage Change 2008-2007</u>
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	
Current and other assets	\$ 3,066	\$ 2,953	\$ 67	\$ 73	\$ 3,133	\$ 3,026	3.5%
Capital assets	5,898	6,030	-	-	5,898	6,030	-2.2%
Total assets	\$ 8,964	\$ 8,983	\$ 67	\$ 73	\$ 9,031	\$ 9,056	-0.3%
Long-Term debt outstanding	1,776	1,804	-	-	1,776	1,804	-1.6%
Other liabilities	497	550	67	73	564	623	-9.5%
Total liabilities	2,273	2,354	67	73	2,340	2,427	-3.6%
Net assets							
Invested in capital assets, net of related debt	\$ 4,094	\$ 4,200	\$ -	\$ -	\$ 4,094	\$ 4,200	-2.5%
Restricted for Capital Improvement	\$ 254	\$ 322	\$ -	\$ -	\$ 254	\$ 322	-21.1%
Restricted for Section 8 HAP	380	20	-	-	380	20	NA
Unrestricted	1,963	2,088	-	-	1,963	2,088	-6.0%
Total net assets	\$ 6,691	\$ 6,630	\$ -	\$ -	\$ 6,691	\$ 6,630	0.9%

Comparative Statement of Revenues & Expenditures - (000) omitted

Schedule 2

	<u>Enterprise Funds</u>		<u>Total Percentage Change 2008-2007</u>
	<u>2008</u>	<u>2007</u>	
HUD PHA Grants	\$ 2,502	\$ 2,163	15.7%
Other Government Grants	1,056	1,018	3.7%
Tenant Rental & Other Revenue	310	347	-10.7%
Investment Income	45	47	-4.3%
Other Revenue Items	269	383	-29.8%
Total Revenue	\$ 4,182	\$ 3,958	5.7%
All Salaries & Wages	\$ 732	\$ 766	-4.4%
Employee Benefits	342	352	-2.8%
Other Administrative Costs	271	273	-0.7%
Tenant Services	1	1	0.0%
Utilities	194	185	4.9%
Maintenance & Wx Materials	84	107	-21.5%
Contract Costs	574	494	16.2%
Insurance	24	28	-14.3%
Other General Expenses	3	7	-57.1%
Pilot/Property Tax/Special Assess.	22	24	-8.3%
Bad Debt Expense	9	1	800.0%
Interest Expense	77	79	-2.5%
Housing Assistance Payments	1,453	1,324	9.7%
Energy Assistance Payments	173	196	-11.7%
Depreciation Expense	325	315	3.2%
Amortization Expense	7	7	0.0%
Total Expenses	\$ 4,291	\$ 4,159	3.2%
Excess of Revenues Over Expenses	\$ (109)	\$ (201)	-45.8%
Assets transferred from Lassen Co.	\$ 170	\$ -	NA
Net Assets - Beginning	\$ 6,630	6,831	-2.9%
Net Assets - Ending	\$ 6,691	\$ 6,630	0.9%

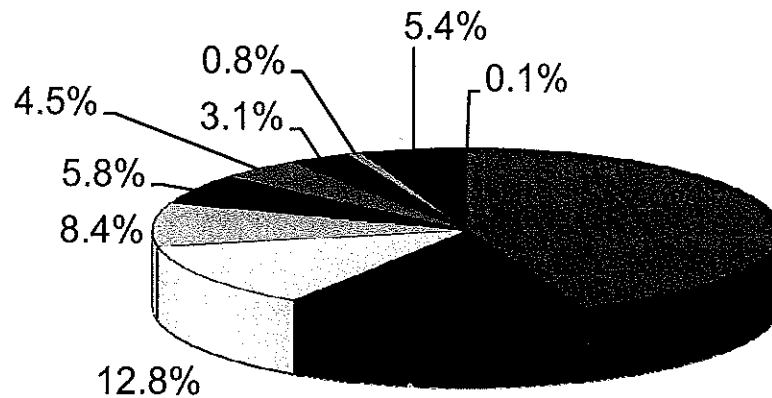
PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
Revenues by Program
For the year ended June 30, 2008

<u>Programs</u>	<u>Amount</u>
Section 8 Housing Programs	\$ 1,834,129
Low Rent Housing Program	642,890
Energy Assistance Programs	533,745
Valley Heights Apartments	350,415
Community Services Block Grant (CAA)	244,213
Community Development Block Grant (CDBG)	187,160
Pine Meadows Apartments	128,105
Other Grants	33,074
Contract Administration	223,753
Other Income	4,135
Total	\$ 4,181,619

PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
Functional Expenses
For the year ended June 30, 2008

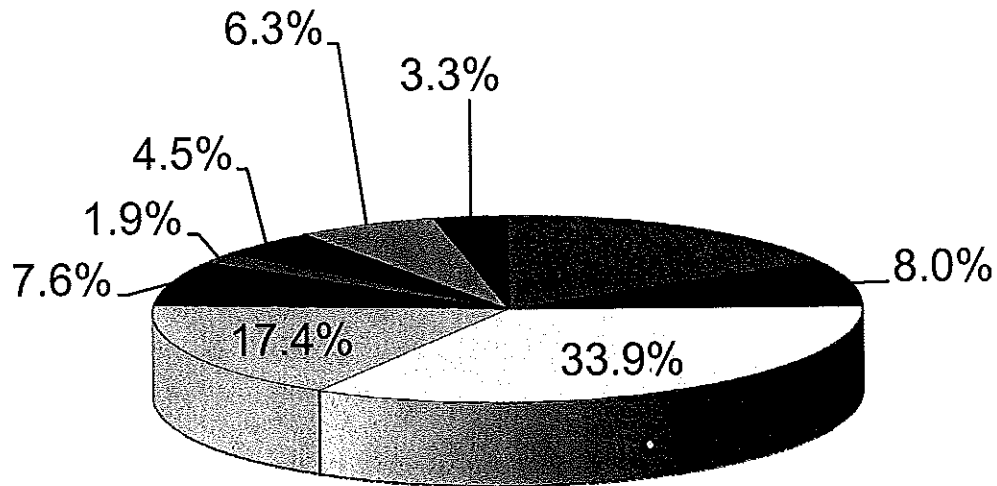
<u>Expense</u>	<u>Amount</u>
Salaries & Wages	\$ 732,102
Employee Benefits	342,309
Housing Assistance Payments	1,453,212
Contract Costs/Energy Assistance Payments	746,898
Depreciation & Amortization	324,587
Maintenance Materials	83,464
Utilities	193,612
Other Administrative Costs	271,841
All Other Expenses	142,578
Total	\$ 4,290,603

PCCDC Revenue Sources FYE 6-30-2008



- Section 8 Housing Programs
- Low Rent Housing Program
- Energy Assistance Programs
- ▣ Valley Heights Apartments
- Community Services Block Grant (CAA)
- Community Development Block Grant (CDBG)
- Pine Meadows Apartments
- ▣ Other Grants
- Contract Administration
- Other Income

PCCDC Expenses by Type FYE 6-30-2008



- Salaries & Wages
- Employee Benefits
- Housing Assistance Payments
- Contract Costs/Energy Assistance Payments
- Depreciation & Amortization
- Maintenance Materials
- Utilities
- Other Administrative Costs
- All Other Expenses

PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008

	Business Type	Fiduciary
	Activities	Fund Type
	Enterprise	
	Funds	Agency
ASSETS		
Current Assets		
Cash, including time deposits (Note B)	\$ 1,486,237	\$ 1,450
Grants receivable (Note C)	54,415	-
Accounts receivable (Note D)	338,121	-
Liens & loans, current portion (Note E)	182,892	65,297
Deposits and prepaid expenses	18,424	-
Inventory (Note F)	21,735	-
Total Current Assets	2,101,824	66,747
Long-term portion of liens & loans	771,897	-
Deferred debt expense (Note G)	192,004	-
Fixed assets, net of accumulated depreciation (Note H)	5,897,873	-
TOTAL ASSETS	\$ 8,963,598	\$ 66,747
LIABILITIES AND NET ASSETS		
Liabilities:		
Current Liabilities		
Accounts payable-vendors	\$ 160,324	\$ 8
Current portion long term debt (Note I)	27,911	-
CDBG payable to entity (Note J)	-	66,739
Accrued vacation and sick leave	165,999	-
Accrued pilot payable	16,874	-
Deferred revenue (Note K)	66,318	-
Security deposits payable	30,089	-
Total Current Liabilities	467,515	66,747
Notes payable - long term portion (Note I)	1,775,742	-
Non-current vacation and sick leave	29,745	-
Total liabilities	2,273,002	66,747
Net Assets		
Investment in fixed assets	4,094,221	-
Restricted for capital improvement (Note L)	254,158	-
Restricted for specific programs (Note L)	380,459	-
Unrestricted	1,961,758	-
Total Fund Balances	6,690,596	-
TOTAL LIABILITIES AND NET ASSETS	\$ 8,963,598	\$ 66,747

The notes to the financial statements are an integral part of this statement.

PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
COMBINED STATEMENT OF REVENUE, EXPENDITURES
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	Enterprise Funds	Eliminations	Totals
OPERATING REVENUES:			
Grant	\$ 1,142,572	\$ -	\$ 1,142,572
Housing Asst Payments Annual	2,121,953	-	2,121,953
Rental Assistance USDA	51,950	-	51,950
Rental Assistance RHCP	41,366	-	41,366
Dwelling rents	305,484	-	305,484
Low rent operating subsidy	212,636	-	212,636
Other Income	385,818	(125,119)	260,699
TOTAL OPERATING REVENUES	4,261,779	(125,119)	4,136,660
OPERATING EXPENSES:			
Salaries and wages	618,077	-	618,077
Maintenance salaries	114,025	-	114,025
Employee benefits	342,309	-	342,309
Professional services	106,570	(7,500)	99,070
Training & Travel	27,747	-	27,747
Facilities expenses	22,206	-	22,206
Office expenses	107,407	-	107,407
Publications/Advertising	15,411	-	15,411
Utilities	193,612	-	193,612
Materials	83,464	-	83,464
Contracts	677,749	(104,208)	573,541
Insurance	23,912	-	23,912
Payments in-lieu of taxes / Property Taxes	21,999	-	21,999
Housing Assistance Payments (HAP)	1,453,212	-	1,453,212
HAP - portable administrative expense	145	-	145
Energy assistance payments	173,357	-	173,357
Provisions for inventory adjustment	2,941	-	2,941
Incentive performance fee	10,652	(10,652)	-
Grant match expense	2,759	(2,759)	0
Bad debts expense	9,018	-	9,018
Depreciation expense (Note H)	324,587	-	324,587
TOTAL OPERATING EXPENSES	4,331,159	(125,119)	4,206,040
OPERATING INCOME (LOSS)	(69,380)	-	(69,380)
NON-OPERATING REVENUES(EXPENSES)			
Interest income	67,806	(22,847)	44,959
Amortization of deferred debt expense (Note G)	(7,178)	-	(7,178)
Interest expense	(100,232)	22,847	(77,385)
Net non-operating revenues (expenses)	(39,604)	-	(39,604)
CHANGE IN NET ASSETS	\$ (108,984)	\$ -	\$ (108,984)

The notes to the financial statements are an integral part of this statement.

PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
STATEMENT OF CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	Business Type Activities	Fiduciary Fund Type
	Enterprise Funds	Agency
BEGINNING BALANCE, JULY 1, 2007	\$ 6,629,736	\$ -
Change in Net Assets	(108,984)	-
Transfer of Net Assets from Lassen County - Section 8	169,844	-
ENDING BALANCE, JUNE 30, 2008	<u>\$ 6,690,596</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

Plumas County Community Development Commission
Statement of Cash Flows
For the Year Ended June 30, 2008

	<u>Total</u>
Cash Flows From Operating Activities,	
Grants & subsidies	\$ 3,524,563
Receipts from tenants	311,002
Other income	328,923
Payments to employees	(1,058,367)
Payments to suppliers	(2,946,699)
Depreciation included in asset use fees	30,944
Net cash provided by operating activities	<u>\$ 190,366</u>
 Cash Flows From Capital and Related Financing Activities	
Purchases of capital assets	\$ (223,196)
Net Assets Received from Lassen County	169,846
Loans to program participants	101,869
Principal paid on capital debt	(26,405)
Interest paid on capital debt	(100,232)
Net cash (used) by capital and related financing activities	<u>\$ (78,118)</u>
 Cash Flows From Investing Activities	
Interest income	<u>\$ 67,806</u>
 Net (decrease) in cash and cash equivalents	\$ 180,054
Balances - beginning of year	1,306,183
Balances - end of year	<u>\$ 1,486,237</u>
 Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating income (loss)	\$ (69,380)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense - other	350,556
Depreciation expense - vehicles	4,975
Change in assets and liabilities:	
Receivables, net	(37,405)
Inventories	(12,513)
Deposits and prepaids	8,463
Accounts payable and accrued expenses	5,750
Deferred Revenue	(60,080)
Net cash provided by operating activities	<u>\$ 190,366</u>

The notes to the financial statements are an integral part of this statement.

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008**

Note A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Organization

The Plumas County Community Development Commission (PCCDC) is established in Section 34110 of the California Health and Safety Code and activated by the Plumas County Board of Supervisors to operate and to govern the Housing Authority, the Community Development Commission, and the Redevelopment Agency of the County of Plumas and to exercise other powers and duties regarding community development and redevelopment as assigned by the Board of Supervisors. PCCDC is a legally separate entity with the authority to transact business, can sue or be sued in its own name without recourse to the County, has the right to buy, sell, lease and mortgage property in its own name, and can issue bonded debt without the approval of the County. Programs for which Federal funding was received by PCCDC include contracts with the U.S. Department of Housing and Urban Development (HUD). PCCDC has received funds for various programs from several state agencies and has agreements with the City of Loyalton to administer Community Development Block Grant funds received from the State of California. By ordinance, PCCDC is specifically charged with the administration, implementation, operation, and fiscal accounting and control of all Community Development Block Grant programs funded to Plumas County. PCCDC contracts with special districts on a fee-for-service basis to provide technical assistance and/or administer wastewater and water improvement loans/grants from USDA Rural Development and the State of California. PCCDC receives no funding from the County of Plumas other than reimbursement for fee-for-service contracts to provide technical assistance with specific County projects.

Per GASBS 14, PCCDC is considered a related organization to the County of Plumas.

Board of Supervisors Acting as Commissioners

The Board of Supervisors of the County of Plumas plus two appointed tenant Commissioners are the governing body of PCCDC. When acting as the Commission, the Board is a separate independent body. As a separate entity, the Commission maintains its own accounting records, and acts in accordance with separate policies and procedures.

Basis of Accounting

PCCDC maintains its books and records on an accrual basis. Revenues are recorded when earned and expenses are recorded when incurred.

Fund Accounting

The accounts of PCCDC are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that are composed of assets, liabilities, fund equity, revenue and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means of which spending activities are controlled. The various funds are grouped, in the Basic Financial Statements in this report, into two fund types as follows:

Enterprise Fund

These statements primarily show the business type activities of PCCDC such as HUD housing programs, which are financed directly by annual contributions from the United States Department of Housing and Urban Development, and all other programs, which are funded by special revenue sources that designate specifically how the funds awarded are to be expended, that include, but are not limited to, LIHEAP and DOE energy programs, the Lassen-Plumas-Sierra Community Action Agency, Community Development Block Grant (CDBG) activities of Plumas County, operation of a USDA Rural Development family apartment project, and payments for infrastructure contract work and apartment management on the behalf of other entities.

Fiduciary Fund

The fiduciary fund accounts for assets received by PCCDC to hold or disburse only on instruction and on behalf of the person or organization from whom they were received. Since fiduciary funds are not assets of the organization, the receipt of these funds or the income that might be generated from them is not considered as part of the organization's support or revenue, unless permitted under terms of the fiduciary agreement.

Budget

PCCDC is legally not required to adopt an overall budget. However, budgetary control is maintained on an individual fund basis. The budget for the HUD Low-Rent Housing program is adopted by a Resolution of the PCCDC Board of Commissioners.

Cash and Cash Equivalents

For the purpose of the Statement of Net Assets, "cash, including time deposits" includes all demand and savings accounts, external investment pool accounts, and certificates of deposit of PCCDC. For purpose of the Statement of Cash Flows, "cash and cash equivalents" include all demand and savings accounts, external investment pool accounts and certificates of deposit with an original maturity of three months or less. This meets the definition of cash and cash equivalents in GASBS 9.

Note B: CASH AND INVESTMENTS

Deposits

The table below is designed to disclose the level of custody credit risk assumed by PCCDC based upon how its deposits were insured or secured with collateral at June 30, 2008. The categories of credit risk are defined as follows:

Category 1 – Insured by FDIC or collateralized with securities held by PCCDC or by its agent in its name.

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in PCCDC's name.

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in PCCDC's name; or collateralized with no written or approved collateral agreement.

Type of Deposits	Custody Credit Risk Category			Total Carrying Value
	1	2	3	
Total Demand Deposits	\$ 430,491	\$ -	\$ 483,041	\$ 913,532

Investments

The table below is designed to disclose the level of custody credit risk assumed by PCCDC based upon how its investments were insured or secured with collateral at June 30, 2008, using the same criteria as set forth for Deposits (above):

Type of Investments	Custody Credit Risk Category			Total Carrying Value
	1	2	3	
Certificate of Deposits	\$ -	\$ -	\$ 175,927	\$ 175,927
CA Local Agency Inv Fund	-	-	-	396,778
Total Investments	\$ -	\$ -	\$ 175,927	\$ 572,705
TOTAL CASH AND INVESTMENTS				\$ 1,486,237

Note B: CASH AND INVESTMENTS - Continued

Investments held in the California State Treasurer's Local Agency Investment Fund are not subject to categorization and have been reported as cash equivalents. These funds have relatively high and consistent yields at minimum risk as their primary objective. Decisions regarding these investments are made by agents for the Agency who are acting in accordance with agreements with the Agency.

Reconciliation to the Government-wide Statement of Net Assets:

Enterprise Fund, Cash, including time deposits	\$ 1,486,237
Fiduciary cash (not included in the government-wide statement)	<u>1,450</u>
Total Cash and Investments	<u>\$1,487,687</u>

PCCDC's primary financial institution, Plumas Bank, follows the policies and procedures as prescribed in the California Government Code (GC 53630-53686) regarding aggregate collateralization of public agency deposits.

Note C: GRANTS RECEIVABLE

Grants receivable from funding sources represents the amounts due for revenues earned but not yet reimbursed as of June 30, 2008. The following amounts were due to PCCDC at June 30, 2008:

Enterprise Fund

Program	Contract Number	Amount
PS AS16 2008	08B-5479	\$ 3,011
PS LIHEAP Wx 2008	08B-5479	16,572
EHAP XIV	06-EHAP-2432	8,173
EHAP XV	07-EHAP-3405	1,607
RCAC - CSD 2008	CSD08-9041-08	1,733
Modoc AS16 2007	07B-5430	5,204
RCAC Tech 07-08	Tech 9031-8	1,547
CDBG Comm. Fac.	05-STBG-1782	16,568
TOTAL		\$ <u>54,415</u>

The Agency considers grants receivable to be fully collectible; accordingly no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Note D: ACCOUNTS RECEIVABLE

Enterprise Fund's receivables include amounts due from tenants. It is the practice of PCCDC to write-off uncollectible receivables only upon approval of the Executive Director after exhausting all efforts to collect the amounts due.

Enterprise Fund

<u>Program</u>	<u>Amount</u>
ARI Operations	\$ 54,773
All Tenant Receivables	2,805
Accounts Receivable – HUD	9,266
Advance to Contractor	30,000
Accounts Receivable-Other	432
Section 8 NRA due from Lassen Co.	41,130
PH-Sierra Meadows Insurance Proceeds	10,724
Almanor Parks & Rec MPB	1,421
C Road CSD	60
Greenhorn Water	8,749
Greenville Water – State/USDA	10,050
Greenville Fire	240
IVCSD Lighting	795
Prattville Fire	362
Delleker Water Line 3	1,025
Wildwood Operations	243,868
Wildwood Village Operations	69,205
Affordable Housing	1,862
GV Hydro / Chester DR	827
Less: Allowance for Doubtful Accounts	(149,473)
TOTAL	\$ 338,121

Note E: LIENS AND LOANS

Community Development Block Grant (CDBG) programs provide funds for rehabilitation of residences of qualifying low-income owner/occupants or to low-income renters. Provisions of the rehabilitation contracts result in loans to the owners in the amount of the cost to rehabilitate the properties benefiting from the CDBG programs. All loans are recorded as liens and secured by rehabilitated properties. CDBG funds are also utilized to make economic development loans to qualifying businesses. Economic development loans are secured by suitable business collateral, including real estate, accounts receivable and/or equipment, and personal guarantee(s) of the business owners(s). PCCDC follows default and foreclosure policies as contained in Housing Rehabilitation Guidelines. Loan payments are recorded as program income and are restricted for use in connection with CDBG eligible activities.

Note F: INVENTORY

Inventory at June 30, 2008 is comprised entirely of materials to be used in carrying out PCCDC's weatherization and energy rehabilitation programs. It is carried at cost since these materials are not for resale and are used before becoming obsolete.

Note G: DEFERRED DEBT EXPENSE

Deferred debt expense as of June 30, 2008 amounting to \$192,004 pertains to the loan re-financing cost for the Valley Heights property and is amortized over the terms of the loan, which is 30 years from April 2005. The amortization of the deferred debt expense, which is reported as non-operating expense, amounted to \$7,178 for the year ended June 30, 2008.

Note H: FIXED ASSETS

Land, building and equipment are stated at original cost. Building and equipment are depreciated using the straight line method over the estimated useful life of the related assets as follows:

Building	40 years
Land & Building Improvements	15 years
Equipment	7 years
Vehicles	5 years
Data Processing Equipment	3 years

Depreciation on General Fund fixed assets, which are comprised primarily of office equipment and vehicles, is charged to current operations and allocated as an Asset Use Fee to the various programs of PCCDC based on each program's derived benefit from the use of the asset. Depreciation on housing project assets is charged directly to the appropriate project. Depreciation expense for the fiscal year ended June 30, 2008 amounted to \$324,587. At June 30, 2008, fixed assets consist of the following:

Land	\$	871,700
Building and Improvements		8,825,378
Other Fixed Assets		808,954
Accumulated Depreciation		(4,608,159)
Fixed Assets, Net	\$	<u>5,897,873</u>

Note I: NOTES PAYABLE

Notes payable as of June 30, 2008 consist of the following:

USDA Rural Housing Service	\$	594,187
Washington Mutual Bank		1,209,466
Mortgage Restructuring Note (MRN)		1,331,637
Less: Assignment of MRN		(1,331,637)
TOTAL		1,803,653
Less: Current Portion		(27,911)
Long Term Portion	\$	<u>1,775,742</u>

The Note Payable to USDA Rural Housing Service, which pertains to Pine Meadows Apartments, is made up of two loans that mature in 2041 and 2042 with interest at 6.75% and 7.25% respectively.

The Note Payable to Washington Mutual Bank, which pertains to Valley Heights Apartments, has a term of 30 years ending December 2033 with interest rate of 5.3%.

The Mortgage Restructuring Note Payable to Housing and Urban Development (HUD) for the purchase of Valley Heights Apartments with simple interest rate of 1% was subsequently assigned during fiscal year 2004 by HUD to PCCDC under an agreement restricting further assignment of note or sale of property for a period of 10 years. The original amount of the mortgage restructuring note was \$1,429,256.

The principal repayments are as follows:

	Principal	Interest	Total
Payments FY2009	\$ 27,911	\$ 89,468	\$ 117,379
Payments FY2010	29,502	87,877	117,379
Payments FY2011	31,184	86,195	117,379
Payments FY2012	32,965	84,414	117,379
Payments FY2013	34,845	72,547	117,392
Pmts FY2014-2018	206,509	313,805	520,314
Pmts FY2019-2023	272,880	247,434	520,314
Pmts FY2024-2028	360,906	159,408	520,314
Pmts FY2029-2033	477,759	42,555	520,314
Pmts FY2034-2038	190,643	(60,153)	130,490
Pmts FY2039-2043	138,059	(77,660)	60,399
Totals	<u>\$ 1,830,163</u>	<u>\$1,045,890</u>	<u>\$ 2,849,053</u>

Note J: CDBG PAYABLE TO ENTITY

At June 30, 2008 CDBG Payable to Entity consists of outstanding loans made by the City of Loyaltan under its Community Development Block Grant programs (see note on Liens & Loans). These loans are included in Liens & Loans on the June 30, 2008 Statement of Net Assets of PCCDC. PCCDC services these loans and remits collections to the City of Loyaltan.

Note K: DEFERRED REVENUE

Deferred revenue represents the excess of grant receipts over grant expenditures. Deferred revenue at June 30, 2008 consists of the following:

<u>Program</u>	<u>Contract Number</u>	<u>Amount</u>
Low Rent Housing	Tenant Rents	\$ 68
Valley Heights Apartments	Tenant Rents	517
PS ECIP/HEAP 2008	08B-5479	33,981
Pine Meadows	Rents & Excess RHCP	4,359
Modoc Wx 2006	06B-5380	5
LPSCAA 2008	08F-4919	25,161
Flex Your Power		2,227
TOTAL		\$ 66,318

Note L: NET ASSETS - RESTRICTED

Restricted net assets pertain to net assets with purpose restrictions imposed by funding agencies. As of June 30, 2008 net assets restricted for capital improvement purposes are as follows:

<u>Program</u>	<u>Amount</u>
Pine Meadows Apartments	\$ 8,861
Valley Heights Apartments	245,297
TOTAL	\$ 254,158

As of June 30, 2008 net assets restricted for specific purposes are as follows:

<u>Program</u>	<u>Amount</u>
Housing Choice Vouchers-HAP	\$ 380,459
TOTAL	\$ 380,459

Note M: LEASES

PCCDC has a lease agreement for copy equipment with Ray Morgan Co. The future value of the minimum lease payments for the years ended June 30 is as follows:

2009	\$ 1,584
2010	1,584
2011	1,188
2012	0
2013	0
	<u>\$ 4,356</u>

Note N: PENSION PLAN

PCCDC has an IRA/SEP pension plan for its employees. Eligible employees who meet the requirements of the SEP (Simplified Employee Pension) receive an employer contribution equal to 10% of their wages to their designated SEP account. Employees automatically participate in the IRA/SEP plan if they have performed services for PCCDC in any one year of the last five previous years and meet the age and income requirements established by PCCDC and/or the Internal Revenue Service. Pension plan contributions for the fiscal year ended June 30, 2008 amounted to \$58,500.

Note O: CONTINGENCIES

Under terms of the Community Development Block Grant, Community Service Block Grant and other contracts, expenditures for purposes not specifically allowable or substantiated by proper documentation may be disallowed by the contracting agency which could result in an amount payable to the State and decrease in the amount of unexpended funds. The final determination of allowable expenditures rests with the contracting agency.

During a prior year, in connection with a program of the California Department of Housing and Community Development, PCCDC provided deferred payment loans to homeowners to improve low-income housing in the County. A fee was received at the time these loans were made. This deferred payment loan program requires that PCCDC continue to monitor these loans and when payments commence, to service the loans without additional compensation.

Note P: FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments include cash, grants and accounts receivable, tenant security deposits, liens and loans, accounts payable, security deposits, and notes payable, none of which are held for trading purposes. The fair values of all financial instruments do not differ materially from the aggregate carrying

values of the financial instruments recorded in the statement of financial position.

The carrying amounts of cash, accounts receivable, accounts payable, and tenant security deposits approximate fair values because of the short-term maturities of those instruments. The fair value of notes payable and liens and loans approximates carrying value since stated rates are similar to rates currently available to PCCDC for debt with similar terms and remaining maturities.

Note Q: MARK TO MARKET (M2M) RESTRUCTURING DISTRIBUTIONS

In September of 2003, PCCDC acquired a HUD Multi-Family Project that simultaneously went through a Mark To Market (M2M) Restructuring under the Multifamily Assisted Housing Reform and Affordability Act of 1997 ("MAHRA"). The Restructuring agreements provide for three types of distributions from the Project: an accruing Capital Recovery Payment (CRP) to the Owner of \$759.67 per month for a period of 120 months; an annual non-accruing Incentive Performance Payment (IPF) to the Owner equal to 2.96% of effective gross income for the year; and an annual Surplus Cash distribution, split 75%/25% between the Restructuring Mortgage (see Note I) and the Owner. No IPF was earned or Surplus Cash distributed for the fiscal year ending June 30, 2004. For the fiscal year ending June 30, 2008, the calculation is as follows:

Total Cash Available	\$ 84,541
Less: Total Current Obligations	(25,087)
Surplus Cash	\$ 59,454
Incentive Performance Fee	(10,652)
Surplus Cash After IPF	\$ 48,802
Less: Surplus Cash Available for M2M Note	
Mortgage Principal	(23,054)
Mortgage Interest	(13,547)
Surplus Cash Available for Distribution	\$ 12,201

Note R: ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Plumas County Community Development Commission
Low-Rent Housing Operating Budget Comparison
Project #CA070 for the Fiscal Year Ending June 30, 2008**

<u>Description</u>	<u>Approved Budget</u>		<u>Actual Amounts</u>	
	<u>\$</u>	<u>PUM</u>		
Dwelling Rental	\$ 238,500	\$ 207.03	\$ 224,557	\$ 194.93
Interest on Investments	11,500	9.98	13,370	11.61
Other Income	4,000	3.47	25,123	21.81
Other Income - Capital Fund	167,204	145.14	167,204	145.14
HUD Subsidy	213,612	185.43	212,636	184.58
Total Operating Income	\$ 634,816	\$ 551.06	\$ 642,890	\$ 558.06
Administrative Salaries	\$ 94,020	\$ 81.61	\$ 115,656	\$ 100.40
Legal Expenses	6,000	5.21	232	0.20
Staff Training & Travel	9,500	8.25	8,669	7.53
Accounting & Auditing Fees	8,300	7.20	7,683	6.67
Other Administrative Expenses	33,000	28.65	36,977	32.10
Management Fee	52,416	45.50	51,142	44.39
Total Administrative Expenses	\$ 203,236	\$ 176.42	\$ 220,359	\$ 191.28
Tenant Services - All	\$ 2,350	\$ 2.04	\$ 598	\$ 0.52
Water	\$ 33,600	\$ 29.17	\$ 29,813	\$ 25.88
Electricity	9,300	8.07	11,359	9.86
Gas	8,800	7.64	11,894	10.32
Other Utilities (Sewer)	30,800	26.74	33,048	28.69
Other Utilities (Garbage)	23,500	20.40	23,373	20.29
Total Utilities Expense	\$ 106,000	\$ 92.01	\$ 109,488	\$ 95.04
Maintenance Labor	\$ 66,767	\$ 57.96	\$ 66,246	\$ 57.51
Maintenance Materials	31,000	26.91	31,236	27.11
Contract Costs	38,000	32.99	42,686	37.05
Total Maintenance Expense	\$ 135,767	\$ 117.85	\$ 140,168	\$ 121.67
Insurance	\$ 8,485	\$ 7.37	\$ 8,085	\$ 7.02
Payments in Lieu of Taxes	16,650	14.45	14,457	12.55
Employee Benefit Contributions	71,588	62.14	81,750	70.96
Collection Losses	3,000	2.60	(1,112)	(0.97)
Other General Expense	-	-	-	-
Total General Expense	\$ 99,723	\$ 86.57	\$ 103,181	\$ 89.57
Total Operating Expense	\$ 547,076	\$ 474.89	\$ 573,794	\$ 498.08
Operating Income (Loss)	\$ 87,740	\$ 76.16	\$ 69,096	\$ 59.98
Non-Capitalized Casualty Losses (Net)	-	-	9,484	8.23
Residual Receipts	\$ 87,740	\$ 76.16	\$ 59,612	\$ 51.75
PUM Units		1,152		1,152
<u>Reconciliation to GAAP Basis</u>				
Increase [Decrease] in Residual Receipts - Budget Comparison			\$ 59,612	
Depreciation Expense			(228,215)	
Increase [Decrease] in Retained Earnings - GAAP Basis			\$ (168,603)	

IZABAL, BERNACIAK & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

One Market, Spear Street Tower, Suite 344
San Francisco, California 94105

Tel. (415) 896-5551
Fax (415) 896-0584

**INDEPENDENT AUDITORS' REPORT ON
ADDITIONAL INFORMATION**

Board of Commissioners
**Plumas County Community
Development Commission**
Quincy, California

Our report on our audit of the basic financial statements of Plumas County Community Development Commission for the year ended June 30, 2008 appears on pages one and two. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The following information on pages 35 through 40 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements, and, in our opinion, the information is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



San Francisco, California
December 16, 2008

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	General Fund	Section 8 Vouchers	HUD LR Housing	Valley Heights Apts	Valley Heights Owner	Lassen Co Section 8 Insp
		SF-1372	SF-1722	CA300009001		
REVENUES:						
Grant	\$ -	\$ -	\$ -	\$ -	\$ -	-
Housing Asst Payments Annual	-	1,830,288	-	291,665	-	-
Rental Assistance USDA	-	-	-	-	-	-
Rental Assistance RHCP	-	-	-	-	-	-
Dwelling Rents	-	-	224,557	47,745	-	-
Low Rent Operating Subsidy	-	-	212,636	-	-	-
Interest Income	1,449	3,174	13,369	6,274	22,847	-
Other Income	2,327	667	25,124	4,731	10,652	720
Operating Transfers	-	-	167,204	-	-	-
Total Revenues	3,776	1,834,129	642,890	350,415	33,499	720
EXPENDITURES:						
Salaries & Wages	1,687	110,874	115,656	35,378	7,322	459
Maintenance Salaries	-	-	66,246	27,300	-	-
Employee Benefits	725	54,201	81,750	19,461	2,145	106
Professional Services	88	4,435	59,058	28,406	88	-
Training & Travel	14	2,063	8,670	1,303	19	58
Facilities Expense	206	4,390	4,224	-	222	-
Office Expense	811	23,091	26,803	7,649	862	-
Publications	25	2,390	3,429	96	388	-
Utilities	30	757	112,607	57,387	38	-
Materials	-	-	31,236	10,280	-	-
Contracts	-	-	52,170	38,839	3,500	-
Insurance	33	1,340	8,086	8,589	160	-
Payments in Lieu of Taxes / Property Tax	-	-	14,457	5,368	-	-
Interest Expense	-	-	-	87,310	-	-
Amortization of Deferred Debt Exp.	-	-	-	7,178	-	-
Housing Assistance Payments (HAP)	-	1,445,919	-	-	-	-
HAP - Portable Administrative Expense	-	145	-	-	-	-
Energy Assistance Payments	-	-	-	-	-	-
Provisions for Inventory Obsolescence	2,941	-	-	-	-	-
Bad Debt Expense	-	-	(1,112)	(86)	-	-
Incentive Performance Fee	-	-	-	10,652	-	-
Grant Match Expense	-	-	-	-	-	-
Depreciation Expense	-	-	228,216	76,324	-	-
Transfer from Other Funds	8,550	-	-	-	-	-
Transfer to General Fund	-	-	-	-	-	97
TOTAL EXPENDITURES	15,110	1,649,605	811,496	421,434	14,744	720
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ (11,334)	\$ 184,524	\$ (168,606)	\$ (71,019)	\$ 18,755	-

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	PS ECIP 2006	PS ECIP 2007	PS ECIP/HEAP 2008	PS AS 16 2007	PS Assurance 16 2008	PS LIHEAP Wx 2006
	06B-5379	07B-5429	08B-5479	07B-5429	08B-5479	06B-5379
REVENUES:						
Grant	\$ 1,724	\$ 39,637	\$ 120,632	\$ 10,811	\$ 9,365	\$ 2,633
Housing Asst Payments Annual	-	-	-	-	-	-
Rental Assistance USDA	-	-	-	-	-	-
Rental Assistance RHCP	-	-	-	-	-	-
Dwelling Rents	-	-	-	-	-	-
Low Rent Operating Subsidy	-	-	15	-	-	4
Interest Income	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
Operating Transfers	-	-	-	-	-	-
Total Revenues	1,724	39,637	120,647	10,811	9,365	2,637
EXPENDITURES:						
Salaries & Wages	-	6,611	9,922	6,734	7,017	1,080
Maintenance Salaries	-	-	-	-	-	-
Employee Benefits	-	2,137	3,178	3,079	1,042	642
Professional Services	-	100	174	70	85	12
Training & Travel	-	16	50	9	25	885
Facilities Expense	-	254	379	190	177	31
Office Expense	381	2,074	2,042	674	666	101
Publications	-	24	67	15	41	2
Utilities	-	40	346	27	29	4
Materials	-	-	-	-	-	-
Contracts	1,343	24,998	15,946	-	263	-
Insurance	-	30	42	21	20	3
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Amortization of Deferred Debt Exp.	-	-	-	-	-	-
Housing Assistance Payments (HAP)	-	-	-	-	-	-
HAP - Portable Administrative Expense	-	-	-	-	-	-
Energy Assistance Payments	-	3,889	88,501	-	-	-
Provisions for Inventory Obsolescence	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-
Incentive Performance Fee	-	-	-	-	-	-
Grant Match Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Transfer from Other Funds	-	-	-	-	-	-
Transfer to General Fund	-	-	-	(8)	-	(7)
TOTAL EXPENDITURES	1,724	40,173	120,647	10,811	9,365	2,753
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ -	\$ (536)	\$ -	\$ -	\$ -	\$ (116)

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	PS LIHEAP Wx 2007 07B-5429	PS LIHEAP Wx 2008 08B-5479	PS HEAP WPO 2006 06B-5379	PS HEAP WPO 2007 07B-5429	DOE-07-08 07C-1677	Pine Meadows
REVENUES:						
Grant	\$ 50,241	\$ 82,116	\$ 6,371	\$ 79,681	\$ 16,517	-
Housing Asst Payments Annual	-	-	-	-	-	-
Rental Assistance USDA	-	-	-	-	-	51,950
Rental Assistance RHCP	-	-	-	-	-	41,366
Dwelling Rents	-	-	-	-	-	33,182
Low Rent Operating Subsidy	-	-	-	-	-	-
Interest Income	-	-	11	82	-	128
Other Income	-	-	-	-	-	1,478
Operating Transfers	-	-	-	-	-	-
Total Revenues	50,241	82,116	6,382	79,763	16,517	128,104
EXPENDITURES:						
Salaries & Wages	20,366	29,772	-	3,257	6,634	9,703
Maintenance Salaries	-	-	-	-	-	19,319
Employee Benefits	12,165	17,087	-	824	4,096	17,968
Professional Services	281	502	-	59	91	8,700
Training & Travel	903	3,308	-	6	294	364
Facilities Expense	2,237	4,466	-	159	1,164	-
Office Expense	3,212	4,889	-	620	766	6,475
Publications	54	220	-	11	8	482
Utilities	186	272	-	361	91	20,674
Materials	10,786	21,484	-	-	3,968	5,710
Contracts	-	-	-	-	-	6,129
Insurance	1,755	116	-	18	330	1,288
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	2,174
Interest Expense	-	-	-	-	-	12,922
Amortization of Deferred Debt Exp.	-	-	-	-	-	-
Housing Assistance Payments (HAP)	-	-	-	-	-	-
HAP - Portable Administrative Expense	-	-	-	-	-	-
Energy Assistance Payments	-	-	6,519	74,448	-	-
Provisions for Inventory Obsolescence	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	676
Incentive Performance Fee	-	-	-	-	-	-
Grant Match Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	20,047
Transfer from Other Funds	-	-	-	-	-	-
Transfer to General Fund	(32)	-	(137)	-	(945)	-
TOTAL EXPENDITURES	51,913	82,116	6,382	79,763	16,517	132,631
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ (1,672)	\$ -	\$ -	\$ -	\$ -	(4,527)

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	<u>Pine Meadows Management</u>	<u>EHAP XIV</u>	<u>EHAP XV</u>	<u>RCAC - CSD 2007</u>	<u>RCAC - CSD 2008</u>	<u>RLF Admin - Plumas</u>
		<u>06-EHAP-2432</u>	<u>07-EHAP-3405</u>	<u>CSD07-9041-07</u>	<u>CSD08-9041-08</u>	
REVENUES:						
Grant	\$	-	\$ 9,821	\$ 1,607	\$ 258	\$ 4,733
Housing Asst Payments Annual		-	-	-	-	-
Rental Assistance USDA		-	-	-	-	-
Rental Assistance RHCP		-	-	-	-	-
Dwelling Rents		-	-	-	-	-
Low Rent Operating Subsidy		-	-	-	-	-
Interest Income		-	-	-	-	-
Other Income		7,500	-	-	-	63,080
Operating Transfers		-	-	-	-	-
Total Revenues		7,500	9,821	1,607	258	4,733
EXPENDITURES:						
Salaries & Wages		4,335	331	120	151	2,480
Maintenance Salaries		-	-	-	-	-
Employee Benefits		2,208	143	52	77	1,265
Professional Services		14	-	-	-	29
Training & Travel		746	-	-	35	622
Facilities Expense		44	-	-	-	72
Office Expense		144	-	-	-	239
Publications		1	-	-	-	7
Utilities		8	-	-	-	12
Materials		-	-	-	-	-
Contracts		-	3,500	-	-	-
Insurance		5	-	-	-	7
Payments in Lieu of Taxes / Property Tax		-	-	-	-	-
Interest Expense		-	-	-	-	-
Amortization of Deferred Debt Exp.		-	-	-	-	-
Housing Assistance Payments (HAP)		-	5,858	1,435	-	-
HAP - Portable Administrative Expense		-	-	-	-	-
Energy Assistance Payments		-	-	-	-	-
Provisions for Inventory Obsolescence		-	-	-	-	-
Bad Debt Expense		-	-	-	-	-
Incentive Performance Fee		-	-	-	-	-
Grant Match Expense		-	-	-	-	-
Depreciation Expense		-	-	-	-	-
Transfer from Other Funds		-	-	-	-	-
Transfer to General Fund		(5)	(11)	-	(5)	-
TOTAL EXPENDITURES		7,500	9,821	1,607	258	4,733
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$	-	\$ -	\$ -	\$ -	\$ -

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	<u>RLF Admin -</u> <u>Loyalton</u>	<u>Graeagle Fire</u> <u>District</u>	<u>C Road CSD</u>	<u>Capital Fund 2007</u> <u>CA30P07050107</u>	<u>Modoc AS16 2006</u> <u>06B-5380</u>	<u>Modoc AS16 2007</u> <u>07B-5430</u>
REVENUES:						
Grant	\$ -	\$ -	\$ -	\$ 167,204	\$ (5,203)	\$ 14,456
Housing Asst Payments Annual	-	-	-	-	-	-
Rental Assistance USDA	-	-	-	-	-	-
Rental Assistance RHCP	-	-	-	-	-	-
Dwelling Rents	-	-	-	-	-	-
Low Rent Operating Subsidy	-	-	-	-	-	-
Interest Income	-	-	-	-	-	3
Other Income	132	1,171	60	-	-	-
Operating Transfers	-	-	-	(167,204)	-	-
Total Revenues	132	1,171	60	-	(5,203)	14,459
EXPENDITURES:						
Salaries & Wages	-	775	-	-	-	-
Maintenance Salaries	-	-	-	-	-	-
Employee Benefits	-	116	-	-	-	-
Professional Services	-	145	60	-	-	-
Training & Travel	-	24	-	-	-	-
Facilities Expense	-	12	-	-	-	-
Office Expense	132	177	-	-	-	-
Publications	-	-	-	-	-	-
Utilities	-	4	-	-	-	-
Materials	-	-	-	-	-	-
Contracts	-	-	-	-	(5,203)	14,459
Insurance	-	2	-	-	-	-
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Amortization of Deferred Debt Exp.	-	-	-	-	-	-
Housing Assistance Payments (HAP)	-	-	-	-	-	-
HAP - Portable Administrative Expense	-	-	-	-	-	-
Energy Assistance Payments	-	-	-	-	-	-
Provisions for Inventory Obsolescence	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-
Incentive Performance Fee	-	-	-	-	-	-
Grant Match Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Transfer from Other Funds	-	-	-	-	-	-
Transfer to General Fund	-	(84)	-	-	-	-
TOTAL EXPENDITURES	132	1,171	60	-	(5,203)	14,459
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	Modoc WX 2006	Modoc Wx 2007	Modoc DOE 07-08	LPSCAA 2007	LPSCAA 2008	Greenhorn Water
	06B-5380	07B-5430	07C-1677	06F-4719	08F-4919	
REVENUES:						
Grant	\$ 16,764	\$ 80,063	\$ 7,793	\$ 113,173	\$ 96,648	\$ -
Housing Asst Payments Annual	-	-	-	-	-	-
Rental Assistance USDA	-	-	-	-	-	-
Rental Assistance RHCP	-	-	-	-	-	-
Dwelling Rents	-	-	-	-	-	-
Low Rent Operating Subsidy	-	-	-	-	-	-
Interest Income	-	30	-	20	11	-
Other Income	-	-	-	-	-	2,810
Operating Transfers	-	-	-	-	-	-
Total Revenues	16,764	80,093	7,793	113,193	96,659	2,810
EXPENDITURES:						
Salaries & Wages	608	739	70	13,999	20,392	1,456
Maintenance Salaries	-	-	-	-	-	-
Employee Benefits	274	328	31	2,517	6,929	718
Professional Services	-	5	-	133	273	20
Training & Travel	-	2	-	1,879	726	34
Facilities Expense	-	14	-	356	556	54
Office Expense	-	42	-	3,475	4,783	228
Publications	-	-	-	149	132	135
Utilities	-	2	-	66	89	8
Materials	-	-	-	-	-	-
Contracts	15,882	78,974	7,696	90,590	62,719	151
Insurance	-	1	-	45	60	6
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Amortization of Deferred Debt Exp.	-	-	-	-	-	-
Housing Assistance Payments (HAP)	-	-	-	-	-	-
HAP - Portable Administrative Expense	-	-	-	-	-	-
Energy Assistance Payments	-	-	-	-	-	-
Provisions for Inventory Obsolescence	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-
Incentive Performance Fee	-	-	-	-	-	-
Grant Match Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Transfer from Other Funds	-	-	-	-	-	-
Transfer to General Fund	-	(14)	(4)	(16)	-	-
TOTAL EXPENDITURES	16,764	80,093	7,793	113,193	96,659	2,810
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	Greenville Water - State/USDA	Dalleker Water Line 3	Greenville Fire	CSBG Tri-County Homeless 07F-4844	Affordable Housing Fund	RCAC Tech 06-07 B0054040-9037-07
REVENUES:						
Grant	\$ -	\$ -	\$ -	\$ 29,363	\$ -	\$ 138
Housing Asst Payments Annual	-	-	-	-	-	-
Rental Assistance USDA	-	-	-	-	-	-
Rental Assistance RHCP	-	-	-	-	-	-
Dwelling Rents	-	-	-	-	-	-
Low Rent Operating Subsidy	-	-	-	-	-	-
Interest Income	-	-	-	6	176	-
Other Income	8,405	1,026	240	-	-	-
Operating Transfers	-	-	-	-	-	-
Total Revenues	8,405	1,026	240	29,369	176	138
EXPENDITURES:						
Salaries & Wages	4,713	602	-	1,341	-	574
Maintenance Salaries	-	-	-	-	-	-
Employee Benefits	2,489	324	-	(88)	-	180
Professional Services	337	5	240	-	-	-
Training & Travel	56	-	-	-	-	-
Facilities Expense	138	13	-	-	-	-
Office Expense	615	75	-	-	-	-
Publications	18	3	-	-	-	-
Utilities	20	2	-	-	-	-
Materials	-	-	-	-	-	-
Contracts	-	-	-	28,140	-	-
Insurance	19	2	-	-	-	-
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Amortization of Deferred Debt Exp.	-	-	-	-	-	-
Housing Assistance Payments (HAP)	-	-	-	-	-	-
HAP - Portable Administrative Expense	-	-	-	-	-	-
Energy Assistance Payments	-	-	-	-	-	-
Provisions for Inventory Obsolescence	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-
Incentive Performance Fee	-	-	-	-	-	-
Grant Match Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Transfer from Other Funds	-	-	-	-	-	-
Transfer to General Fund	-	-	-	(24)	-	(616)
TOTAL EXPENDITURES	8,405	1,026	240	29,369	-	138
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ 176	\$ -

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	<u>RCAC Tech 07-08</u>	<u>Almanor Parks & Rec MPB</u>	<u>Flex Your Power 2007</u>	<u>IVCSD Lighting - CDF</u>	<u>Flex Your Power 2008</u>	<u>Prattville Fire</u>
	<u>Tech 9031-8</u>					
REVENUES:						
Grant	\$ 8,547	\$ -	\$ 10,188	\$ -	\$ 2,773	\$ -
Housing Asst Payments Annual	-	-	-	-	-	-
Rental Assistance USDA	-	-	-	-	-	-
Rental Assistance RHCP	-	-	-	-	-	-
Dwelling Rents	-	-	-	-	-	-
Low Rent Operating Subsidy	-	-	-	-	-	-
Interest Income	-	-	1	-	2	-
Other Income	-	28,054	25	795	410	362
Operating Transfers	-	-	-	-	-	-
Total Revenues	8,547	28,054	10,214	795	3,185	362
EXPENDITURES:						
Salaries & Wages	4,964	15,379	2,894	108	1,458	195
Maintenance Salaries	-	-	-	-	-	-
Employee Benefits	2,155	8,024	1,135	46	888	89
Professional Services	49	210	46	641	5	3
Training & Travel	447	592	418	-	483	3
Facilities Expense	119	470	125	-	11	14
Office Expense	432	1,787	2,666	-	335	52
Publications	350	677	2,498	-	1	-
Utilities	18	75	17	-	2	4
Materials	-	-	-	-	-	-
Contracts	-	1,034	401	-	-	-
Insurance	13	55	17	-	2	2
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Amortization of Deferred Debt Exp.	-	-	-	-	-	-
Housing Assistance Payments (HAP)	-	-	-	-	-	-
HAP - Portable Administrative Expense	-	-	-	-	-	-
Energy Assistance Payments	-	-	-	-	-	-
Provisions for Inventory Obsolescence	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-
Incentive Performance Fee	-	-	-	-	-	-
Grant Match Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Transfer from Other Funds	-	-	-	-	-	-
Transfer to General Fund	-	(249)	(3)	-	-	-
TOTAL EXPENDITURES	8,547	28,054	10,214	795	3,185	362
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	<u>Wildwood Operations</u>	<u>Wildwood Village Operations</u>	<u>CDBG Quattro Adm</u>	<u>CDBG Housing/NAVGV Adm</u>	<u>CDBG Aff House Adm</u>	<u>CDBG 079 Setzer</u>
REVENUES:						
Grant	\$ -	\$ -	\$ -	\$ -	\$ -	-
Housing Asst Payments Annual	-	-	-	-	-	-
Rental Assistance USDA	-	-	-	-	-	-
Rental Assistance RHCP	-	-	-	-	-	-
Dwelling Rents	-	-	-	-	-	-
Low Rent Operating Subsidy	-	-	-	-	-	-
Interest Income	-	-	-	-	-	79
Other Income	103,431	75,787	40,219	839	70	-
Operating Transfers	-	-	-	-	-	-
Total Revenues	103,431	75,787	40,219	839	70	79
EXPENDITURES:						
Salaries & Wages	65,179	49,154	21,779	540	47	-
Maintenance Salaries	841	319	-	-	-	-
Employee Benefits	33,790	27,094	11,482	92	23	-
Professional Services	46	12	307	5	-	-
Training & Travel	1,215	822	711	-	-	-
Facilities Expense	120	22	713	13	-	-
Office Expense	1,814	74	2,715	62	-	-
Publications	13	7	2,311	123	-	-
Utilities	64	47	118	2	-	-
Materials	-	-	-	-	-	-
Contracts	1,813	1,650	-	-	-	-
Insurance	610	999	83	2	-	-
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Amortization of Deferred Debt Exp.	-	-	-	-	-	-
Housing Assistance Payments (HAP)	-	-	-	-	-	-
HAP - Portable Administrative Expense	-	-	-	-	-	-
Energy Assistance Payments	-	-	-	-	-	-
Provisions for Inventory Obsolescence	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-
Incentive Performance Fee	-	-	-	-	-	-
Grant Match Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Transfer from Other Funds	-	-	-	-	-	-
Transfer to General Fund	(2,074)	(4,413)	-	-	-	-
TOTAL EXPENDITURES	103,431	75,787	40,219	839	70	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	79

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	<u>CDBG 084 Mt</u> <u>Desserts</u>	<u>CDBG 488 Plumas</u>	<u>STBG 914 EQ/G</u> <u>Sewer</u>	<u>Plumas RLF</u> <u>Housing</u>	<u>Plumas RLF Econ</u> <u>Dev</u>	<u>Plumas RLF</u> <u>Unrestricted</u>
REVENUES:						
Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Housing Asst Payments Annual	-	-	-	-	-	-
Rental Assistance USDA	-	-	-	-	-	-
Rental Assistance RHCP	-	-	-	-	-	-
Dwelling Rents	-	-	-	-	-	-
Low Rent Operating Subsidy	-	-	-	-	-	-
Interest Income	124	203	643	1,130	4,226	118
Other Income	-	-	-	-	-	2,944
Operating Transfers	-	-	-	175,000	(150,000)	-
Total Revenues	124	203	643	176,130	(145,774)	3,062
EXPENDITURES:						
Salaries & Wages	-	-	-	-	-	-
Maintenance Salaries	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-
Training & Travel	-	-	-	-	-	-
Facilities Expense	-	-	-	-	-	-
Office Expense	-	-	-	-	-	-
Publications	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Materials	-	-	-	-	-	-
Contracts	1,520	-	-	63,958	-	-
Insurance	-	-	-	-	-	-
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Amortization of Deferred Debt Exp.	-	-	-	-	-	-
Housing Assistance Payments (HAP)	-	-	-	-	-	-
HAP - Portable Administrative Expense	-	-	-	-	-	-
Energy Assistance Payments	-	-	-	-	-	-
Provisions for Inventory Obsolescence	-	-	-	-	-	-
Bad Debt Expense	-	-	-	9,540	-	-
Incentive Performance Fee	-	-	-	-	-	-
Grant Match Expense	831	-	-	1,928	-	-
Depreciation Expense	-	-	-	-	-	-
Transfer from Other Funds	-	-	-	-	-	-
Transfer to General Fund	-	-	-	-	-	-
TOTAL EXPENDITURES	2,351	-	-	75,426	-	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ (2,227)	\$ 203	\$ 643	\$ 100,704	\$ (145,774)	\$ 3,062

Plumas County Community Development Commission
Schedule of Revenue and Expenditures
Enterprise Fund
For the year ended June 30, 2008

	<u>03-EDBG-914 Ent</u>	<u>CDBG Quincy</u>					
	<u>Fund</u>	<u>AH/Greenville ED</u>	<u>CDBG Quatro</u>	<u>CDBG Aff Housing</u>	<u>CDBG</u>		<u>Total</u>
		<u>05-PTAA-1485</u>	<u>05-STBG-1782</u>	<u>07-PTAG-3138</u>	<u>Hydro/Chester</u>	<u>07-PTAE-3766</u>	
REVENUES:							
Grant	\$ -	\$ 52,747	\$ 111,771	\$ -	\$ -	\$ -	\$ 1,142,572
Housing Asst Payments Annual	-	-	-	-	-	-	2,121,953
Rental Assistance USDA	-	-	-	-	-	-	51,950
Rental Assistance RHCP	-	-	-	-	-	-	41,366
Dwelling Rents	-	-	-	-	-	-	305,484
Low Rent Operating Subsidy	-	-	-	-	-	-	212,636
Interest Income	13,681	-	-	-	-	-	67,806
Other Income	-	-	-	1,931	828	-	385,818
Operating Transfers	(25,000)	-	-	-	-	-	-
Total Revenues	(11,319)	52,747	111,771	1,931	828		4,329,585
EXPENDITURES:							
Salaries & Wages	-	-	-	-	-	-	618,077
Maintenance Salaries	-	-	-	-	-	-	114,025
Employee Benefits	-	-	-	-	-	-	342,309
Professional Services	-	-	-	-	-	-	106,570
Training & Travel	-	-	-	-	-	-	27,747
Facilities Expense	-	-	-	-	-	-	22,206
Office Expense	-	-	-	-	-	-	107,407
Publications	-	-	-	-	-	-	15,411
Utilities	-	-	-	-	-	-	193,612
Materials	-	-	-	-	-	-	83,464
Contracts	-	52,747	111,771	1,931	828	-	677,749
Insurance	-	-	-	-	-	-	23,912
Payments in Lieu of Taxes / Property Tax	-	-	-	-	-	-	21,999
Interest Expense	-	-	-	-	-	-	100,232
Amortization of Deferred Debt Exp.	-	-	-	-	-	-	7,178
Housing Assistance Payments (HAP)	-	-	-	-	-	-	1,453,212
HAP - Portable Administrative Expense	-	-	-	-	-	-	145
Energy Assistance Payments	-	-	-	-	-	-	173,357
Provisions for Inventory Obsolescence	-	-	-	-	-	-	2,941
Bad Debt Expense	-	-	-	-	-	-	9,018
Incentive Performance Fee	-	-	-	-	-	-	10,652
Grant Match Expense	-	-	-	-	-	-	2,759
Depreciation Expense	-	-	-	-	-	-	324,587
Transfer from Other Funds	-	-	-	-	-	-	8,550
Transfer to General Fund	-	-	-	-	-	-	(8,550)
TOTAL EXPENDITURES	-	52,747	111,771	1,931	828		4,438,569
EXCESS (DEFICIENCY) OF REVENUE							
OVER EXPENDITURES	\$ (11,319)	\$ -	\$ -	\$ -	\$ -	\$ -	(108,984)

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number: 06B-5379 Plumas-Sierra ECIP/HEAP/AS16

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
Assurance 16	\$ 27,767	\$ -	\$ 27,767	\$ 27,767
Intake	\$ 7,110	\$ -	\$ 7,110	\$ 7,110
Administrative Costs	\$ 13,676	\$ -	\$ 13,676	\$ 13,680
Energy Automation Set-Aside	2,806	381	3,187	3,187
Total Administration	\$ 16,482	\$ 381	\$ 16,863	\$ 16,867
Cooling Services R&R	\$ -	\$ -	\$ -	\$ 500
Heating Services R&R	45,309	1,343	46,653	46,885
Other ECIP Heating & Cooling	-	-	-	300
Subtotal ECIP H&C	\$ 45,309	\$ 1,343	\$ 46,653	\$ 47,685
Outreach	8,713	-	8,713	8,717
Wood/Propane/Oil Payments	31,492	-	31,492	29,792
Liability Insurance	59	-	59	100
Training	240	-	240	200
Workers' Compensation	341	-	341	1,000
Total ECIP Program	\$ 86,155	\$ 1,343	\$ 87,498	\$ 87,494
HEAP Outreach	\$ 9,195	\$ (137)	9,058	\$ 9,058
HEAP Wood/Propane/Oil Pmts	197,603	6,519	204,122	204,091
Total HEAP	\$ 206,798	\$ 6,382	\$ 213,180	\$ 213,149
Energy Education Client Workshops	\$ 860	\$ -	860	\$ 860
Grand Total	\$ 345,172	\$ 8,106	\$ 353,278	\$ 353,247

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number: 06B-5379 Plumas-Sierra LIHEAP Weatherization

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
Administrative Costs	\$ 11,248	\$ (7)	\$ 11,241	\$ 11,241
<u>Other Program Costs</u>				
Liability Insurance	\$ 1,962	\$ 3	\$ 1,965	\$ 2,400
Training	63	2,571	2,634	2,809
Total Other Program Costs	\$ 2,025	\$ 2,574	\$ 4,599	\$ 5,209
 Intake	 \$ 2,809	 \$ -	 \$ 2,809	 \$ 2,809
Direct Program Activities	106,981	-	106,981	106,039
Outreach	7,025	-	7,025	7,025
Workers' Compensation	7,809	187	7,996	8,200
Total Program Costs	\$ 124,624	\$ 187	\$ 124,811	\$ 124,073
 Grand Total	 \$ 137,897	 \$ 2,754	 \$ 140,651	 \$ 140,523

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2753

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number 06F-4719 CSBG - LPSCAA (2007 Program Year)

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
<u>Administrative Costs</u>				
Salaries and Wages	\$ 15,545	\$ 13,999	\$ 29,544	\$ 29,722
Fringe Benefits	5,364	2,517	7,880	8,950
Operating Expenses	6,436	6,089	12,525	11,228
Subtotal Administrative Costs	\$ 27,345	\$ 22,604	\$ 49,949	\$ 49,900
<u>Program Costs</u>				
Subcontractors	33,066	90,590	123,656	123,656
Subtotal Nonpersonnel Costs	\$ 33,066	\$ 90,590	\$ 123,656	\$ 123,656
Grand Total	\$ 60,411	\$ 113,194	\$ 173,605	\$ 173,556

40.9% of the Administrative Costs reported were expended for Program Support Activities.

113,193

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number: 07B-5429 Plumas-Sierra ECIP/HEAP/AS16

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
Assurance 16	\$ 9,224	\$ 10,811	\$ 20,035	\$ 20,035
Intake	\$ 2,355	\$ 3,022	\$ 5,377	\$ 5,377
Administrative Costs	\$ 6,489	\$ 6,271	\$ 12,760	\$ 12,739
Heating Services R&R	8,030	24,998	33,028	32,407
Other ECIP Heating & Cooling	-	-	-	100
Subtotal ECIP H&C	\$ 8,030	\$ 24,998	\$ 33,028	\$ 32,507
Outreach	1,599	1,899	3,498	3,498
Wood/Propane/Oil Payments	18,623	3,889	22,512	21,977
Liability Insurance	13	15	28	80
Training	6	9	15	100
Workers' Compensation	127	69	196	600
Total ECIP Program	\$ 28,397	\$ 30,879	\$ 59,277	\$ 58,762
HEAP Outreach	\$ 4,638	\$ 5,315	9,954	\$ 9,944
HEAP Wood/Propane/Oil Pmts	71,026	74,448	145,474	145,365
Total HEAP	\$ 75,664	\$ 79,763	\$ 155,427	\$ 155,309
Grand Total	\$ 122,130	\$ 130,746	\$ 252,876	\$ 252,222

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130,746

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number: 07B-5429 Plumas-Sierra Weatherization

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
Administrative Costs	\$ 2,262	\$ 3,250	\$ 5,513	\$ 7,298
<u>Other Program Costs</u>				
Liability Insurance	\$ 76	\$ 1,748	\$ 1,823	\$ 1,700
Training & Technical Assistance	17	69	86	1,825
Total Other Program Costs	\$ 93	\$ 1,817	\$ 1,910	\$ 3,525
Intake	\$ 607	\$ 808	\$ 1,415	\$ 1,825
Direct Program Activities	35,355	41,346	76,701	66,621
Outreach	1,508	2,032	3,540	4,562
Workers' Compensation	1,172	2,661	3,833	7,400
Total Program Costs	\$ 38,642	\$ 46,847	\$ 85,489	\$ 80,408
Grand Total	\$ 40,998	\$ 51,914	\$ 92,912	\$ 91,231

51,913 ✓

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number: 07B-5430 Modoc Assurance 16

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
Assurance 16	\$ -	\$ 14,459	\$ 14,459	\$ 14,453
Grand Total	\$ -	\$ 14,459	\$ 14,459	\$ 14,453

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number: 07B-5430 Modoc Weatherization

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
Administrative Costs	\$ 484	\$ 5,963	\$ 6,447	\$ 6,441
<u>Other Program Costs</u>				
Liability Insurance	\$ -	\$ 743	\$ 743	\$ 550
Training & Technical Assistance	-	-	-	1,611
Total Other Program Costs	\$ -	\$ 743	\$ 743	\$ 2,161
Intake	\$ -	\$ 1,398	\$ 1,398	\$ 1,611
Direct Program Activities	-	69,772	69,772	62,487
Outreach	-	1,968	1,968	4,026
Workers' Compensation	-	248	248	3,800
Total Program Costs	\$ -	\$ 73,385	\$ 73,385	\$ 71,924
Grand Total	\$ 484	\$ 80,092	\$ 80,576	\$ 80,526

80,092

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number: 07C-1676 Plumas-Sierra DOE - Weatherization

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
Administrative Costs	\$ -	\$ 826	\$ 826	\$ 826
<u>Program Costs</u>				
Client Education	\$ -	\$ 200	\$ 200	\$ 200
Direct Program Activities	-	13,024	13,024	9,002
Health and Safety	-	328	328	3,920
Intake	-	200	200	200
Liability Insurance	-	330	330	350
Outreach	-	200	200	200
Training & Technical Assistance	-	419	419	419
Workers' Compensation	-	990	990	1,400
Total Program Costs	\$ -	\$ 15,691	\$ 15,691	\$ 15,691
Grand Total	\$ -	\$ 16,517	\$ 16,517	\$ 16,517

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number: 07C-1677 Modoc DOE - Weatherization

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
Administrative Costs	\$ -	\$ 338	\$ 338	\$ 390
<u>Program Costs</u>				
Client Education	\$ -	\$ -	\$ -	\$ 100
Direct Program Activities	-	2,714	2,714	4,830
Health and Safety	-	3,963	3,963	1,850
Intake	-	-	-	100
Liability Insurance	-	204	204	100
Outreach	-	-	-	100
Training & Technical Assistance	-	-	-	198
Vehicle Insurance	-	-	-	25
Workers' Compensation	-	573	573	100
Total Program Costs	\$ -	\$ 7,455	\$ 7,455	\$ 7,403
Grand Total	\$ -	\$ 7,793	\$ 7,793	\$ 7,793

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**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF CLOSED GRANTS
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2008**

Grant Number 07F-4844 CSBG Supplemental

Items	Previously Audited Costs	Current Audited Costs	Total Audited Costs	Budget
<u>Administrative Costs</u>				
Salaries and Wages	\$ 202	\$ 1,317	\$ 1,519	\$ 1,050
Fringe Benefits	75	(88)	(13)	350
Operating Expenses	-	-	-	100
Subtotal Administrative Costs	\$ 277	\$ 1,230	\$ 1,506	\$ 1,500
<u>Program Costs</u>				
Subcontractors	360	28,140	28,500	28,500
Subtotal Nonpersonnel Costs	\$ 360	\$ 28,140	\$ 28,500	\$ 28,500
Grand Total	\$ 637	\$ 29,370	\$ 30,006	\$ 30,000

50% of the Administrative Costs reported were expended for Program Support Activities.

29,370

MULTI-FAMILY HOUSING
BORROWER BALANCE SHEET

PART I - BALANCE SHEET

PROJECT NAME		BORROWER NAME		BORROWER ID AND PROJECT NO.	
Pine Meadows Apartments		Plumas County CDC		01-032-0941705601	
		CURRENT YEAR (07 - 01 - 07)	PRIOR YEAR (07 - 01 - 06)		
BEGINNING DATES > ENDING DATES >		(06 - 30 - 08)	(06 - 30 - 07)		
ASSETS					
CURRENT ASSETS					
1. GENERAL OPERATING ACCOUNT		(16,610)	(22,328)		
2. R.E. TAX & INSURANCE ACCOUNT		4,578	4,566		
3. RESERVE ACCOUNT		8,861	32,997		
4. SECURITY DEPOSIT ACCOUNT		2,778	2,771		
5. OTHER CASH (identify)		100	100	Petty Cash	
6. OTHER (identify)		4,031	4,031	Excess RHCP	
7. TOTAL ACCOUNTS RECEIVABLE (Attach list)		535			
ACCTS RCVBL 0-30 DAYS \$	434		386		
ACCTS RCVBL 30-60 DAYS \$	101		41		
ACCTS RCVBL 60-90 DAYS \$	-0-		-0-		
ACCTS RCVBL OVER 90 DAYS \$	-0-		70		
8. LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS		(50)	(70)		
9. INVENTORIES (supplies)		()	()		
10. PREPAYMENTS		-0-	2,895		
11.					
12. TOTAL CURRENT ASSETS (Add 1 thru 11)		4,223	25,459		
FIXED ASSETS					
13. LAND		34,000	34,000		
14. BUILDINGS		522,381	522,382		
15. LESS: ACCUMULATED DEPRECIATION		(151,297)	(138,237)		
16. FURNITURE & EQUIPMENT		119,561	84,652		
17. LESS: ACCUMULATED DEPRECIATION		(57,791)	(50,804)		
18.					
19. TOTAL FIXED ASSETS (Add 13 thru 18)		466,854	451,993		
OTHER ASSETS					
20.					
21. TOTAL ASSETS (Add 12, 19, and 20)		471,077	477,452		
LIABILITIES AND OWNERS EQUITY					
CURRENT LIABILITIES					
22. TOTAL ACCOUNTS PAYABLE (Attach list)		3,766			
ACCTS PAYABLE 0-30 DAYS \$	3,766		1,262		
ACCTS PAYABLE 30-60 DAYS \$	-0-		-0-		
ACCTS PAYABLE 60-90 DAYS \$	-0-		-0-		
ACCTS PAYABLE OVER 90 DAYS \$	-0-		-0-		
23. NOTES PAYABLE (Attach list)		9,189	8,763	Curr LTD/Def Rev	
24. SECURITY DEPOSITS		2,650	2,650		
25. TOTAL CURRENT LIABILITIES (Add 22 thru 24)		15,605	12,675		

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

LONG-TERM LIABILITIES

26. NOTES PAYABLE RURAL DEVELOPMENT

27. OTHER (Identify) _____

28. TOTAL LONG-TERM LIABILITIES (Add 26 and 27) _____

589,357	594,137	
589,357	594,137	

29. TOTAL LIABILITIES (Add 25 and 28) _____

604,962	606,812	
---------	---------	--

30. OWNER'S EQUITY (Net Worth) (21 minus 29) _____

(133,885)	(129,360)	
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31. TOTAL LIABILITIES AND OWNER'S EQUITY
(Add 29 and 30)

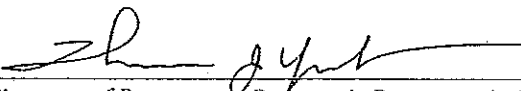
471,077	477,452	
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Warning: Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

8-22-2008

(Date)


(Signature of Borrower or Borrower's Representative)

Finance/Deputy Director

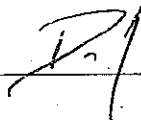
(Title)

PART II-THIRD PARTY VERIFICATION OF REVIEW

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 3560-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the project or borrower.

February 17, 2009
(Date)


(Signature)

Robert Izabal, Partner - Izabal, Bernaciak & Co.
(Name and Title)

One Market, Spear #344, San Francisco, CA 94105
(Address)

☐ In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by license or certification is attached.

MULTIPLE FAMILY HOUSING PROJECT BUDGET

PROJECT NAME Pine Meadows Apartments			BORROWER NAME Plumas County CDC		BORROWER ID OR PROJECT NO. 04-032-0941705601	
Loan/Transfer Amount \$			Note Rate Payment \$		IC Payment \$	
			44,978		17,435	
Reporting Period	Budget Type	Project Rental Type	Profit Type	I hereby request		
<input type="checkbox"/> Annual	<input type="checkbox"/> Initial	<input checked="" type="checkbox"/> Family	<input type="checkbox"/> Full Profit	<input type="checkbox"/> Electricity		
<input type="checkbox"/> Quarterly	<input checked="" type="checkbox"/> Regular Report	<input type="checkbox"/> Elderly	<input type="checkbox"/> Limited Profit	<input checked="" type="checkbox"/> Water		
<input checked="" type="checkbox"/> Monthly	<input type="checkbox"/> Rent Change	<input type="checkbox"/> Congregate	<input checked="" type="checkbox"/> Non-Profit (Government)	<input checked="" type="checkbox"/> Sewer		
	<input type="checkbox"/> SMR	<input type="checkbox"/> Group Home		<input checked="" type="checkbox"/> Other: Garbage		
	<input type="checkbox"/> Other Servicing	<input type="checkbox"/> Mixed				
		<input type="checkbox"/> LH				
				Borrower Accounting Method		
				<input type="checkbox"/> Cash		
				<input checked="" type="checkbox"/> Accrual		
				JUNE 2008		
				Month 12 of 12 - 100.00%		

PART I - CASH FLOW STATEMENT

	BEGINNING DATES> ENDING DATES>	CURRENT BUDGET 07/01/07 06/30/07	ACTUAL 07/01/07 06/30/08	PROPOSED BUDGET 07/01/08 06/30/09	COMMENTS or (YTD)
OPERATIONAL CASH SOURCES					
1 RENTAL INCOME.....		\$ 143,376	\$ 33,182	\$ 155,520	
2 RHS RENTAL ASSISTANCE RECEIVED.....			\$ 51,950		
3 RHCP RENTAL ASSISTANCE.....			\$ 41,366		
4 LAUNDRY AND VENDING.....		\$ 2,000	\$ 383	\$ 1,200	
5 INTEREST INCOME.....		\$ 350	\$ 128	\$ 150	
6 TENANT CHARGES.....		\$ 1,000	\$ 1,095	\$ 1,000	
7 OTHER - PROJECT SOURCES.....		\$ -	\$ -	\$ -	
8 LESS (Vacancy and Contingency Allowance).....		\$ (7,169)	\$ -	\$ (9,789)	
9 LESS (Agency Approved Incentive Allowance).....		\$ -	\$ -	\$ -	
10 SUB-TOTAL [(1 thru 7)-(8 & 9)].....		\$ 139,557	\$ 128,105	\$ 148,081	91.79% of Budget
NON-OPERATIONAL CASH SOURCES					
11 CASH - NON PROJECT.....		\$ -	\$ -		
12 AUTHORIZED LOAN (Non-RHS).....		\$ -	\$ -		
13 TRANSFER FROM RESERVE.....		\$ 16,450	\$ 36,175	\$ 10,770	
14 SUB-TOTAL (11 thru 13).....		\$ 16,450	\$ 36,175	\$ 10,770	
15 TOTAL CASH SOURCES (10+14).....		\$ 156,007	\$ 164,280	\$ 158,851	
OPERATIONAL CASH USES					
16 TOTAL O&M EXPENSES (From Part II).....		\$ 96,536	\$ 94,752	\$ 101,781	
17 RHS DEBT PAYMENT.....		\$ 17,435	\$ 17,435	\$ 17,435	
18 RHS PAYMENT (Overage).....			\$ -		
19 RHS PAYMENT (Late Fee).....			\$ -		
20 REDUCTION IN PRIOR YEAR PAYABLES (See Part IV)....			\$ -		
21 TENANT UTILITY PAYMENTS.....			\$ -		
22 TRANSFER TO RESERVE.....		\$ 12,000	\$ 12,039	\$ 12,000	
23 RETURN TO OWNER/NP ASSET MGT FEE.....		\$ -	\$ -		
24 SUB-TOTAL (16 thru 23).....		\$ 125,971	\$ 124,227	\$ 131,216	98.65% of Budget
NON-OPERATIONAL CASH USES					
25 AUTHORIZED DEBT PAYMENTS (Non-RHS).....		\$ -	\$ -		
26 ANNUAL CAPITAL BUDGET (Part III, Lines 4-6).....		\$ 16,450	\$ 36,175	\$ 10,770	
27 MISCELLANEOUS.....		\$ -	\$ -	\$ -	
28 SUB-TOTAL (25 thru 27).....		\$ 16,450	\$ 36,175	\$ 10,770	
29 TOTAL CASH USES (24+28).....		\$ 142,421	\$ 160,402	\$ 141,986	
30 NET CASH (DEFICIT) (15-29).....		\$ 13,586	\$ 3,878	\$ 16,865	
CASH BALANCE					
31 BEGINNING CASH BALANCE.....		\$ (13,000)	\$ (17,663)	\$ (13,000)	
32 ACCRUAL TO CASH ADJUSTMENT (see Part IV).....			\$ 1,852		
33 ENDING CASH BALANCE (30+31+32).....		\$ 586	\$ (11,933)	\$ 3,865	

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PART II -- OPERATING AND MAINTENANCE EXPENSE SCHEDULE

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS (YTD) or
1 MAINTENANCE AND REPAIRS PAYROLL	\$ 20,834	\$ 19,319	\$ 19,255	
2 MAINTENANCE AND REPAIRS SUPPLY	\$ 3,200	\$ 4,030	\$ 4,000	
3 MAINTENANCE AND REPAIRS CONTRACT	\$ 2,750	\$ 1,295	\$ 2,000	
4 PAINTING AND DECORATING	\$ 330	\$ -	\$ 300	
5 SNOW REMOVAL	\$ 600	\$ 600	\$ 1,500	
6 ELEVATOR MAINTENANCE CONTRACT	\$ -	\$ -	\$ -	
7 GROUNDS	\$ 500	\$ 1,680	\$ 3,200	Lawns (Summer over)
8 SERVICES	\$ -	\$ -	\$ -	
9 ANNUAL CAPITAL BUDGET (Part V Operating)	\$ 4,650	\$ 3,983	\$ 5,700	
10 OTHER OPERATING EXPENSE (Itemize)	\$ 500	\$ 364	\$ 400	
11 SUB-TOTAL MAINT. & OPERATING (1 thru 10)	\$ 33,364	\$ 31,271	\$ 36,355	93.73% of Budget
12 ELECTRICITY	\$ 1,300	\$ 1,339	\$ 1,300	
13 WATER	\$ 1,760	\$ 1,148	\$ 1,700	
14 SEWER	\$ 6,767	\$ 7,786	\$ 7,786	
15 FUEL (Oil/Coal/Gas)	\$ 3,100	\$ 5,270	\$ 4,200	
16 GARBAGE & TRASH REMOVAL	\$ 3,300	\$ 3,243	\$ 3,400	
17 OTHER UTILITIES	\$ -	\$ -	\$ -	
18 SUB-TOTAL UTILITIES (12 thru 17)	\$ 16,227	\$ 18,786	\$ 18,386	115.77% of Budget
19 SITE MANAGEMENT PAYROLL	\$ 9,127	\$ 9,703	\$ 9,635	
20 MANAGEMENT FEE	\$ 7,500	\$ 7,500	\$ 10,608	
21 PROJECT AUDITING EXPENSE	\$ 1,200	\$ 1,200	\$ 1,200	
22 PROJECT BOOKKEEPING/ACCOUNTING	\$ -	\$ -	\$ -	
23 LEGAL EXPENSES	\$ 880	\$ -	\$ 900	
24 ADVERTISING	\$ 400	\$ 482	\$ 450	
25 TELEPHONE & ANSWERING SERVICE	\$ 1,920	\$ 1,888	\$ 2,000	
26 OFFICE SUPPLIES	\$ 300	\$ 45	\$ 400	
27 OFFICE FURNITURE & EQUIPMENT	\$ 350	\$ 447	\$ 400	
28 TRAINING EXPENSE	\$ 385	\$ -	\$ 400	
29 HEALTH INS. & OTHER EMP. BENEFITS	\$ 11,325	\$ 17,968	\$ 9,659	
30 PAYROLL TAXES	\$ 2,322	inc above	\$ 2,464	
31 WORKMAN'S COMPENSATION	\$ 5,606	inc above	\$ 3,649	
32 OTHER ADMINISTRATIVE EXPENSES (Itemize)	\$ 1,500	\$ 1,999	\$ 1,600	
33 SUB-TOTAL ADMINISTRATIVE (19 thru 32)	\$ 42,815	\$ 41,233	\$ 43,365	96.31% of Budget
34 REAL ESTATE TAXES	\$ 2,530	\$ 2,174	\$ 2,175	All FY2008 Payments Made
35 SPECIAL ASSESSMENTS	\$ -	\$ -	\$ -	
36 OTHER TAXES, LICENSES & PERMITS	\$ -	\$ -	\$ -	
37 PROPERTY & LIABILITY INSURANCE	\$ 1,600	\$ 1,288	\$ 1,500	
38 FIDELITY COVERAGE INSURANCE	\$ -	\$ -	\$ -	
39 OTHER INSURANCE	\$ -	\$ -	\$ -	
40 SUB-TOTAL TAXES & INSURANCE (34 thru 39)	\$ 4,130	\$ 3,462	\$ 3,675	83.83% of Budget
41 TOTAL O&M EXPENSES (11+18+33+40)	\$ 96,536	\$ 94,752	\$ 101,781	

Overall Percentage of Budget - Planned

100.00%

Overall Percentage of Budget - Actual

98.15%

PART III -- ACCOUNT BUDGETING/STATUS

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
RESERVE ACCOUNT:				
1 BEGINNING BALANCE.....	\$ 32,000	\$ 32,997	\$ 3,500	
2 TRANSFER TO RESERVE.....	\$ 12,000	\$ 12,039	\$ 12,000	
TRANSFER FROM RESERVE				
3 OPERATING DEFICIT.....	\$ -	\$ -	\$ -	
4 ANNUAL CAPITAL BUDGET (Part V Reserve)	\$ 16,450	\$ 36,175	\$ 10,770	
5 BUILDING & EQUIPMENT REPAIR	\$ -	\$ -	\$ -	
6 OTHER NON-OPERATING EXPENSES.....	\$ -	\$ -	\$ -	
7 TOTAL (3 thru 6).....	\$ 16,450	\$ 36,175	\$ 10,770	
8 ENDING BALANCE [(1+2)-7].....	\$ 27,550	\$ 8,861	\$ 4,730	

	Current Budget	6/30/2008 Actual	Proposed Budget
GENERAL OPERATING ACCOUNT:*			
BEGINNING BALANCE.....	\$ (17,670)	\$ (22,328)	(17,665)
ENDING BALANCE.....	\$ (3,814)	\$ (16,610)	(814)

REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT:*			
BEGINNING BALANCE.....	\$ 4,570	\$ 4,565	4,565
ENDING BALANCE.....	\$ 4,300	\$ 4,578	4,579

TENANT SECURITY DEPOSIT ACCOUNT:*			
BEGINNING BALANCE.....	\$ 2,600	\$ 2,771	2,771
ENDING BALANCE.....	\$ 2,600	\$ 2,778	2,780

*(Complete upon submission of actual expenses.)

NUMBER OF APPLICANTS ON WAITING LIST...	16	# RESERVE ACCT. REQ. BALANCE.....	\$ 8,735
NUMBER OF APPLICANTS NEEDING RA..	16	AMOUNT AHEAD/BEHIND.....	\$ 126

PART V – RENT SCHEDULE

A. CURRENT APPROVED RENTS/UTILITY ALLOWANCE:

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	
1BR	N	4.00	\$ 590	\$ 688		\$ 28,320	\$ 32,064	\$ -	\$ 77
2BR	N	12.00	761	836		\$ 109,584	\$ 120,384	-	\$ 93
2BR	Z-Caretaker	1	456	-		\$ 5,472			\$ -
		-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CURRENT RENT TOTALS						\$ 143,376	\$ 152,448	\$ -	
						BASIC	NOTE	HUD	

B. PROPOSED RENTS - Effective Date 7/1/2008

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	
1BR	N	4.00	\$ 624	\$ 717		\$ 29,952	\$ 34,416		\$ 84
2BR	N	12.00	822	898		\$ 118,368	\$ 129,312		\$ 102
2BR	Z-Caretaker	1.00	600	898		\$ 7,200	\$ 10,776		
		-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CURRENT RENT TOTALS						\$ 155,520	\$ 174,504	\$ -	
						BASIC	NOTE	HUD	

C. PROPOSED UTILITY ALLOWANCE - Effective Date 7-1-2007

MONTHLY DOLLAR ALLOWANCES

BR SIZE	UNIT TYPE	NUMBER	ELECTRIC	GAS	WATER	SEWER	TRASH	OTHER	TOTAL
1BR	N	4	22	\$ 55					\$ 77
2BR	N	12	\$ 37	\$ 56					\$ 93

PART VI – ANNUAL CAPITAL BUDGET

	Proposed Number of Units/Items	Proposed from Reserve	Actual from Reserve	Proposed from Operating	Actual from Operating	Actual Total Costs	Total Actual Items/Units
Appliances:							
Range.....	1	-	-	350	-	-	-
Refrigerator.....	1	-	-	700	-	-	-
Range Hood.....	-	-	-	-	-	-	-
Washers & Dryers.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Carpet and Vinyl:							
1 BR.....	-	-	-	-	-	-	-
2 BR.....	2	-	2,364	3,600	3,983	6,347	4
3 BR.....	-	-	-	-	-	-	-
4 BR.....	-	-	-	-	-	-	-
Other - Common Area.....	-	-	-	-	-	-	-
Cabinets:							
Kitchen.....	2	1,200	-	-	-	-	-
Bathroom.....	1	500	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Doors:							
Exterior.....	-	-	-	-	-	-	-
Interior.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Window Coverings:							
List: Mini-Blinds.....	-	300	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Heating & Air Conditioning							
Heating.....	1	2,500	-	-	-	-	-
Air conditioning.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Plumbing:							
Water heater.....	1	400	-	-	-	-	-
Bath sinks.....	-	-	-	-	-	-	-
Kitchen sinks.....	-	-	-	-	-	-	-
Faucets.....	-	-	-	-	-	-	-
Toilets.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Major Electrical:							
List: Lighting.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Structures:							
Windows.....	2	3,000	-	-	-	-	-
Screens.....	-	-	-	-	-	-	-
Walls.....	-	-	-	-	-	-	-
Roofing.....	-	-	-	-	-	-	-
Siding (Dry Rot).....	-	2,250	31,941	-	-	31,941	-
Exterior painting.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Paving:							
Asphalt.....	-	-	-	-	-	-	-
Concrete.....	-	3,500	-	-	-	-	-
Seal and stripe.....	-	2,500	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Landscape and grounds:							
Landscaping.....	-	-	-	-	-	-	-
Lawn equipment.....	-	-	-	-	-	-	-
Fencing.....	-	-	-	-	-	-	-
Recreation area.....	-	-	-	-	-	-	-
Signs.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Accessibility features:							
List: ADA Wash Tubs.....	-	300	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Automation equipment:							
Copier/Printer.....	-	-	-	-	-	-	-
Common area.....	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Other:							
Excess Snow Removal.....	-	-	1,870	-	-	1,870	-
List.....	-	-	-	-	-	-	-
List.....	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENSES:		16,450	36,175	4,650	3,983	40,158	

PART VII – SIGNATURES, DATES AND COMMENTS

Warning: Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

8-13-2008
(DATE)


(Signature of Borrower or Borrower's Representative)

Finance Director
(Title)

AGENCY APPROVAL (USDA Rural Development Approval Official):	DATE:

COMMENTS:

Actual Modernization Cost Certificate

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 3/31/2010)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Do not send this form to the above address.

This collection of information requires that each Housing Authority (HA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

HA Name: <i>PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION</i>	Modernization Project Number: <i>CA30P07050107</i>
---	---

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	\$ <i>167,204.00</i>
B. Funds Disbursed	\$ <i>167,204.00</i>
C. Funds Expended (Actual Modernization Cost)	\$ <i>167,204.00</i>
D. Amount to be Recaptured (A-C)	\$ <i>0</i>
E. Excess of Funds Disbursed (B-C)	\$ <i>0</i>

2. That all modernization work in connection with the Modernization Grant has been completed;

3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;

4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and

5. That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Executive Director & Date:

X *David Heller* by T. YAGERHOFER 10-18-2007

For HUD Use Only

The Cost Certificate is approved for audit:

Approved for Audit (Director, Office of Public Housing / ONAP Administrator)

Date:

X

The audited costs agree with the costs shown above:

Verified: (Designated HUD Official)

Date:

X

Approved: (Director, Office of Public Housing / ONAP Administrator)

Date:

X

IZABAL, BERNACIAK & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

One Market, Spear Street Tower, Suite 344
San Francisco, California 94105

Tel. (415) 896-5551
Fax (415) 896-0584

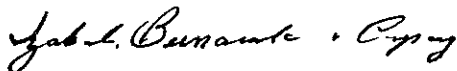
**INDEPENDENT AUDITORS' REPORT ON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Board of Commissioners
Plumas County Community
Development Commission
Quincy, California

We have audited the Basic Financial Statements of Plumas County Community Development Commission (PCCDC) for the year ended June 30, 2008 and have issued our report thereon dated December 16, 2008. These basic financial statements are the responsibility of the Plumas County Community Development Commission management. Our responsibility is to express an opinion on these Basic Financial Statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the Basic Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Basic Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Plumas County Community Development Commission taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audit of State and Local Governments and Non-Profit Organizations* and is also not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



San Francisco, California
December 16, 2008

PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Contract Number	Revenue	Expenditure
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Direct Program</i>				
Public housing	14.850	SF - 1722	\$ 212,636	\$ 212,636
Section 8 housing choice vouchers	14.871	SF - 1372	1,830,288	1,830,288
Multi-family housing	14.197	CA0300009001	291,665	291,665
Public housing capital improvement fund	14.872	CA30PO7050107	167,204	167,204
Subtotal			2,501,793	2,501,793
<i>Passed through State of California</i>				
Department of Housing and Community Development				
CDBG				
Quincy AH / Greenville ED	14.228	05-PTAA-1465	52,747	52,747
"Quattro"	14.228	05-STBG-1782	111,771	111,771
Subtotal 14.228			164,518	164,518
Total U.S. Dept. of Housing and Urban Development			2,666,311	2,666,311
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed through State of California</i>				
Department of Community Services and Development:				
Low Income Home Energy Assistance Program				
WX - Plumas & Sierra County	93.568	07B-5429	50,241	50,241 ✓
HEAP WPO - Plumas & Sierra County			79,681	79,681 ✓
HEAP AS16 - Plumas & Sierra County			10,811	10,811 ✓
ECIP - Plumas & Sierra County			39,637	39,637 ✓
Low Income Home Energy Assistance Program				
WX - Modoc County	93.568	07B-5430	80,063	80,063 ✓
HEAP AS16 - Modoc County			14,456	14,456 ✓
Low Income Home Energy Assistance Program				
WX - Plumas & Sierra County	93.568	06B-5379	2,633	2,633 ✓
HEAP WPO - Plumas & Sierra County			6,371	6,371 ✓
ECIP - Plumas & Sierra County			1,724	1,724 ✓
Low Income Home Energy Assistance Program				
WX - Modoc County	93.568	06B-5380	16,764	16,764 ✓
HEAP AS16 - Modoc County			(5,203)	(5,203) ✓
Low Income Home Energy Assistance Program				
Wx - Plumas & Sierra County	93.568	08B-5479	82,116	82,116 ✓
HEAP ECIP/WPO - Plumas & Sierra County			120,632	120,632 ✓
HEAP AS16 - Plumas & Sierra County			9,365	9,365 ✓
Subtotal 93.568			509,291	509,291
CSBG Discretionary (Tri-County Homeless)				
	93.569	0F7-4844	29,363	29,363 ✓
LPSCAA CSBG 2006 (2007 Activities)				
	93.569	06F-4719	113,173	113,173 ✓
LPSCAA CSBG 2008 (2008 Activities)				
	93.569	08F-4919	96,648	96,648 ✓
<i>Passed through the Rural Community Assistance Corporation</i>				
CSD 2007	93.569	CSD07-9041-07	258	258
CSD 2008	93.569	CSD08-9041-08	4,733	4,733
Subtotal 93.569			244,175	244,175
Total U.S. Dept. Of Health and Human Services			753,466	753,466
U. S. DEPARTMENT OF ENERGY				
<i>Passed through State of California</i>				
Department of Community Services and Development:				
Weatherization Assistance for Low-Income Persons	81.042	07C-1676	16,517	16,517 ✓
Weatherization Assistance for Low-Income Persons	81.042	07C-1677	7,793	7,793 ✓
Total U.S. Dept. of Energy			24,310	24,310

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

U. S. DEPARTMENT OF AGRICULTURE			
Rental Assistance	10.427	51,950	51,950
<i>Passed through the Rural Community Assistance Corporation</i>			
Technitrain 2006-2007	10.761	B0054040-9031-07	138
Technitrain 2007-2008	10.761	Tech 9031-08	8,547
			8,547
Subtotal 10.761		8,685	8,685
Total U.S. Dept. of Agriculture		60,635	60,635
Total Revenue		3,504,722	3,504,722
LOANS			
U. S. DEPARTMENT OF AGRICULTURE RD	10.415	594,187	594,187
U. S. DEPT. OF HOUSING & URBAN DEV.	14.135	1,331,637	1,331,637
Total Loans		1,925,824	1,925,824
TOTAL FEDERAL AWARDS		\$ 5,430,546	\$ 5,430,546

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Plumas County Community Development Commission and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Circular A-133, "Audits of Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
**Plumas County Community
Development Commission**
Quincy, California

We have audited the financial statements of Plumas County Community Development Commission as of and for the year ended June 30, 2008, and have issued our report thereon dated December 16, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Plumas County Community Development Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Plumas County Community Development Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Plumas County Community Development Commission's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

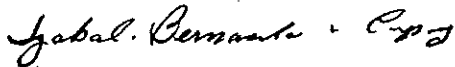
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Plumas County Community Development Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the audit committee, management, Board of Directors, federal awarding agencies and pass-through entities and is not intended and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "Gabriel Bernante".

San Francisco, California
December 16, 2008

IZABAL, BERNACIAK & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

One Market, Spear Street Tower, Suite 344
San Francisco, California 94105

Tel. (415) 896-5551
Fax (415) 896-0584

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Commissioners
**Plumas County Community
Development Commission**
Quincy, California

Compliance

We have audited the compliance of Plumas County Community Development Commission with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Plumas County Community Development Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Plumas County Community Development Commission's management. Our responsibility is to express an opinion on Plumas County Community Development Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Plumas County Community Development Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Plumas County Community Development Commission's compliance with those requirements.

In our opinion, Plumas County Community Development Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control over Compliance

The management of Plumas County Community Development Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Plumas County Community Development Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Plumas County Community Development Commission's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, Board of Directors, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gabe L. Bernmark & Co., CPAs

San Francisco, California
December 16, 2008

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

A. SUMMARY OF AUDITOR'S RESULTS	
1. Type of Financial Statement Report	UNQUALIFIED
2. Significant Deficiencies in Internal Control Disclosed by Audit of Financial Statements	NONE
3. Noncompliance Disclosed by Audit Which Is Material to Financial Statements	NONE
4. Significant Deficiencies in Internal Control over Major Programs Disclosed by Audit	NONE
5. Type of Compliance Report Major Programs	UNQUALIFIED
6. OMB A-133 Subpart E.510a Audit Finding Disclosed by Audit	NONE
7. Major Programs:	CFDA # 93.568 Low Income Home Energy Assistance CFDA # 14.135 U.S. HUD Loan
8. Dollar Threshold for Type A Programs	\$300,000
9. Auditee Qualification	LOW RISK
B. Findings Relating to the Financial Statements Which Are Required to Be Reported in Accordance with GAGAS	NONE
C. Findings and Questioned Costs for Federal Awards Including Audit Findings Defined in OMB A-133 Subpart E.510a	NONE

**PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

There were no prior year audit findings.

